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Commentary Views Russian-Turkmen Treaty, Prospects for Ties

934C0541A Ashgabat TURKMENSKAYA ISKRA
in Russian 17 Oct 92 p 12

[Article by I. Ivakhnenko: "A House for Each of Us. Turkmenistan and Russia: Boundaries of Cooperation"]

[Text] Actually the new stage in the history of the two countries—Turkmenistan and Russia, started with the disintegration of the Soviet Union. A new stage in their relations also began at that time. The stage when, in establishing their place in a changed world, both countries are finding each other as well. As pretentious as it may sound, the processes are parallel and mutually related. The best proof of that is the Treaty on Friendship and Cooperation between Russia and Turkmenistan signed by the presidents of those nations on 31 July.

It is really a treaty between two equal and mutually interested sides. To speak in detail about the directions which are encompassed by the agreements signed within its framework, although it is rewarding and noble, is unrealistic. The spectrum of matters that were coordinated is too great. Some would consider military cooperation as the most important element here and it would be difficult to overemphasize the significance of the fact that Turkmenistan acquired a reliable guarantor of its security while Russia obtained an important ally in Central Asia.

It is impossible to underestimate the significance of the "zero variant" adopted in regard to the question of foreign debt of the former USSR. That is, the assumption of Turkmenistan's share by Russia in exchange for Turkmenistan relinquishing its share of the debt of other states to the Soviet Union and the gold and diamond fund of that state. Of course, such a variant, on the one hand, frees the republic from the uneasy lot of a debtor but on the other hand, to a certain degree, also deprives it of the possibility of becoming an investor in the debtor countries of the former Soviet Union. At present a draft is being discussed in accordance with which these so far insolvent countries can transfer part of the property to the successor state of the USSR through the creation of an SP [joint venture] as repayment of the debt. But they may also not make the transfer in which case Russia will have to pay for everything. In this case each of the partners also gets his share of risk and his "selection" of pluses and minuses. But the entire point is that both Russia and Turkmenistan share this burden equally: without the redistribution factor of "odds and ends" which unfortunately is still in effect in the relations of superpowers with the not so large states. This principle of equality was born out of the very essence of Russia and Turkmenistan—as the continuation of their internal conditions, a kind of national-state mentality. That of states striving to turn themselves from totalitarian into democratic ones.

Such a common understanding of the world as well as of their place in it could not help but promote continuation

of the relationship based on partnership, transforming it into one of allies. If it is possible to speak of military cooperation as something that is necessary, whereas foreign political and diplomatic relations can only be regarded as voluntary. Only goodwill of both sides could ensure the resolve to consult with each other in cases when relations with a third country touch on the interests of one of the partners. Otherwise it is impossible to explain the intent of the MFA of Turkmenistan and Russia to constantly exchange data and analytical materials. In politics information is frequently more valuable than money.

Not only that. The opportunity of earning money is more valuable than money itself. Russia and Turkmenistan offer each other such opportunity in that they are prepared to encourage direct ties between their enterprises and agencies, open accounts in the banks of the partner, and sign customs agreements, coupled with numerous other measures which in effect confer the most favored nation status in bilateral trade-economic relations.

I repeat once more that all parameters of cooperation are important in politics, and in the economic, diplomatic and military spheres. But to me, as a Russian citizen of Turkmenistan, the spirit is more important than the letter of the treaty, that part of it which is directly devoted to "the human dimension." I do not want to shower compliments on the Russian-Turkmenistan Treaty on friendship and cooperation, but even one of its dry articles has more to do with us—plain people, than the grandiose declarations of many politicians. How else is it possible to evaluate the obligation of each of the sides not to permit not only actions, but threats aimed against people because of their national, ethnic, or religious affiliation? Or the obligation to preserve and encourage ethnic uniqueness of the national minorities? What about the intention of each of the sides to create cultural centers of people of both countries on its territory?

Not too long ago I wrote about the closeness of Turkmenistan and China—about the historical fate of political and economic reforms. But between Turkmenistan and Russia there is closeness of another kind. Actually both the Turkmen and the Russians are ethnic minorities which absorbed features, the blood and even personalities of completely different nations and ethnic families. Naturally, such a unifying property as openness toward the world and people, which evolved as a result, could not help but influence social development and political building. In Turkmenistan there have been no significant conflicts between nationalities and in Russia, as a whole, they are also not in much evidence. Is that a coincidence? Is it a coincidence that these two countries, two nations, did not lose each other in the confusion involved in the disintegration of the old state? Was it a coincidence that it is specifically the relations between Turkmenistan and Russia that are possibly initiating the creation, no, not of a lost state, but of a world in which people will feel their closeness and relation not according

to official registration but in spirit? Regardless of where they live or which "super" or "ordinary" power they represent.

By the way, about "plain" people. I recently read something on some curious reasoning: the world begins to be reborn amidst the turmoil not thanks to heroes and leaders, but with the help of the most "plain" people. But, after all, countries are people, while our times are times of destruction and creation, times of abysses and bridges spanning them. Bridges which are called humanity. They are built from state to state, from region to region, from person to person by those countries which profess not world messianism, but simple human values: peace, life, equality, labor. I believe that Turkmenistan is such a country. I think that as mighty a country as Russia will erect another "span" of such a bridge. I am proud and happy that despite the chaos they have already been able to start this construction. The state of which I am a citizen, and the country which remains my Homeland. Their creative experience is probably the first sufficiently clear plan for the building of the House. No, not a European one, not an Asian one, and not even a Eurasian one. Such houses are probably cozy for politicians, but not for plain people. They are more comfortable in a house whose walls consist of good relations between nationalities from very different countries.

The term of the Treaty on friendship between Turkmenistan and Russia is ten years, and it may be extended if neither side rejects that document. This treaty will probably last as long as our people will want it to. We will get to know each other, we are opening ourselves up.

Russian-Azerbaijani Cooperation Previewed

93US0227A Baku BAKINSKIY RABOCHIIY in Russian
13 Nov 92 pp 1, 3

[Article by Z. Mamishov, counselor to Plenipotentiary Representative of the Azerbaijan Republic in Moscow: "Azerbaijan - Russia. New Stage of Cooperation"]

[Text] The bilateral treaty between our country and Russia was signed just a few days following the refusal by our parliament to ratify documents on the entry of Azerbaijan into the CIS. Through a great effort it was possible to overcome many difficulties, including existence of a powerful Armenian lobby in the Moscow center not interested in the establishment of equal and friendly relations between the two countries. Even though with a certain delay, Russian authorities have recognized the need for establishing broad mutually advantageous ties with Azerbaijan.

The significance of the treaty to Azerbaijan, first of all, consists of the fact that it was possible to give relations with its large and powerful neighbor a civilized shape thereby excluding the threat of intervention in internal affairs and use of force. A dangerous state of affairs was eliminated which at any moment could have become the source of instability and conflict. Under conditions when

real and full independence and sovereignty are yet to be attained, while the economy represents mutually integrated systems, rapid distancing from the northern neighbor would be a strategic error. Today, however, relations with it are based on a qualitatively new foundation.

Azerbaijan and Russia, having signed the treaty, for the first time on equal terms, in full accord with the principles of international law, are assuming the responsibility of forming their relations as sovereign and independent states, while observing nonintervention in each other's internal affairs and rejecting the use of force or the threat of force.

The treaty places special emphasis, and this is highly important, on the stipulation that the sides pledge themselves to be guided in an undeviating manner in their mutual relations by the principles of territorial integrity and inviolability of borders. Agreements pertain to politics, national security, protection of human rights and the rights of national minorities, the economy, science, culture, etc.

In the area of national security particular significance is acquired by those points of the treaty which ensure the possibility for each of the sides to call for urgent consultations in the case of a situation which, in the opinion of one of the sides, threatens peace or violates its important security interests, for the purpose of coordinating appropriate measures for its elimination. They also establish that the sides pledge to abstain from participation in any action aimed against the other side, and not allow the use of their territory for the purpose of aggression or other coercive acts against the other contracting party.

Under conditions created by an undeclared war, instigated by Armenia against our republic, and taking into account the vast potential of Russia, the indicated agreements may play a stabilizing role and balance the Russian position in relations between Azerbaijan and Armenia. These norms create broader possibilities for the active involvement of Russia in the realization of peacemaking efforts for the purpose of resolving by political means the conflict that was forced on us. It is no secret to anyone that in order to halt the bloody war between the two neighboring Transcaucasian states Russia is capable of accomplishing much more than it has in the past. Moreover cases are known when pro-Armenian feelings of the Russian center have been clearly manifested. The existence of a Russian-Armenian treaty, however, with the lack of one between Azerbaijan and Russia, to a certain degree violated the parity of forces in that region. Now, with the Russian-Azerbaijani treaty that was signed, a possibility is created for elimination of existing suspicions and mistrust between the sides.

Azerbaijan and Russia, recognizing the right of each side to independently determine and carry out a complex of measures aimed at the protection of their sovereignty, territorial integrity, and inviolability of borders and

defensive capability, pledged to ensure close cooperation and practical interaction for that purpose. On the basis of bilateral agreements it became possible to carry out joint utilization of military facilities, training of personnel in army higher educational establishments of the sides, etc.

Considerable attention in the treaty is devoted to the protection of the rights of citizens of both states. Norms of the treaty, regulating these issues, are most likely distinguished by their democratic nature and provide the most adequate reflection of the reality that formed in the former Soviet Union.

Each of the sides assumes the responsibility of granting the citizens of the other side residing on its territory certain property and social rights on the same basis and to the same extent enjoyed by its own citizens. Citizens of the other side on the territory of each of the sides have the same right to appeal to a court or state organs in the defense of their rights and legal interests as citizens of the given state. From this it follows that a citizen of our country residing on the territory of Russia, must have a practically equal social status with the Russian citizens. The same is envisaged with relation to citizens of Russia in Azerbaijan.

This certainly does not mean that the treaty actually allows for dual citizenship indicating the affiliation of a citizen simultaneously with two countries. That position must be understood as follows: in case when an Azerbaijani, residing permanently in Russia, takes out Azerbaijani citizenship, he retains all of his former socioeconomic rights in Russia.

Elaboration of a clear-cut mechanism is needed for the interaction of the two countries in the field of legal, social, and other guarantees for citizens of both countries, proclaimed in the treaty. The bitter experience of Soviet reality evidences that by itself the proclamation of something of value, does not necessarily mean that it is accessible and real. It is known that today medical and other social services are available to citizens of Azerbaijan on the territory of Russia only on a paid basis.

Within the immediate future it is necessary to elaborate and sign bilateral agreements in the area of cooperation in public health services, education, social security, culture, and in other spheres that are needed to ensure the rights of one country's citizens on the territory of the other.

With regard to protection of the rights of its citizens major significance will be acquired by the conclusion of a consular convention by the two states, as stipulated in the treaty. The plenipotentiary representation of our republic in Moscow already has a consular department that ensures protection of the interests of Azerbaijani legal and physical bodies in Moscow and in Russia and performs visa processing functions. The total absence of consular legislation in the republic or of a bilateral consular convention, does not allow the elevation of the work done by the consular service to an appropriate

level. The defense and protection of the rights and legal interests of its own citizens in the official organs of the country of residence must become the principal task of the consular service, in accordance with the International Vienna Convention on Consular Relations.

Inasmuch as a large number of our fellow countrymen reside on the territory of Russia, in my opinion it is now time to study the question concerning opening of consulates of the Azerbaijan Republic in other cities and republics of the Russian Federation, and, first of all, in St. Petersburg, where, unfortunately, the rights and legal interests of Azerbaijanis suffer the most.

Azerbaijan and Russia, reiterating their adherence to commonly recognized international standards in the field of human rights, guarantee in the treaty the right of individuals belonging to national minorities to full and effective utilization of their human rights and enjoyment of them without any discrimination under conditions of total equality before the law. National minorities, both in Russia and Azerbaijan, are guaranteed the right to freely preserve and develop their unique qualities, and are also assured protection and creation of conditions for their promotion.

Respect for the rights of individuals belonging to national minorities must be viewed as an important element of peace, justice, stability, and democracy in such multinational countries as Russia and Azerbaijan. The recently published edict of the president of Azerbaijan on the protection of the rights of national minorities, confirms the serious nature of the intentions of our republic in that sphere.

It is known that in certain cities and populated points of Russia, under conditions created by the rise in nationalistic moods at various levels, certain anti-Azerbaijani manifestations are coming to light. There are well-known cases in which tens of our countrymen became innocent victims of lawless acts because of their national affiliation (it is sufficient to mention the open alliance of the St. Petersburg OMON [Special Purpose Militia Detachment] with nationalistic groups of the "Pamyat" type against Azerbaijanis). The elimination of these negative phenomena will be promoted in a certain sense by the obligations of the sides, as envisaged in the treaty, to initiate effective measures for the protection of individuals who are subjected or might be subjected to threats, acts of violence, discrimination, or hostility for reasons of their national affiliation, along with the protection of their property.

The treaty between Russia and Azerbaijan was signed for a five-year period with the possibility of subsequent extension. It would be desirable for the agreements between the two neighboring states to pass the test of time in a worthy manner and become a reliable basis for friendly relations between the people of Azerbaijan and Russia.

[Signed] Z. Mamishov, counselor to the Plenipotentiary Representative of the Azerbaijan Republic in Moscow

Russian-Azerbaijani Cooperation Treaty Published

93US0227B Baku BAKINSKIY RABOCHIY in Russian
19 Nov 92 p 2

[Treaty on Friendship, Cooperation and Mutual Security Between Republic of Azerbaijan and the Russian Federation]

[Text] The Republic of Azerbaijan and the Russian Federation, henceforth designated as the High Contracting Parties,

With reliance on historically formed links, friendly ties, and traditions of good relations between their people

Believing that further development of friendly relations, good neighborliness, and mutually advantageous cooperation between them suits the fundamental interests of the people of both countries and serves the cause of peace and security

Filled with the determination to build democratic, law-governed states on their territories

Reiterating their adherence to the goals and principles expressed in the Charter of the United Nations, the Helsinki Final Act, and other documents of the Conference on Security and Cooperation in Europe

Further reiterating their adherence to the commonly recognized international standards in the field of human rights

Have agreed as follows:

Article 1

The High Contracting Parties will develop their relations as friendly states. They pledge to be guided in an undeviating manner by principles of mutual respect for their state sovereignty and independence, equality, and nonintervention in each other's internal affairs, avoidance of the use of force or threats of force, including economic and other forms of pressure, territorial integrity, inviolability of borders, peaceful settlement of disputes, as well as other commonly recognized norms of international law.

Article 2.

The High Contracting Parties will cooperate in consolidating peace and improving stability and security both on the global and regional scale. They will promote continuation of the disarmament process, creation and strengthening of international systems of collective security, as well as the establishment of structures and institutions promoting intensification of the peace-making role of the UN and improvement in the effectiveness of regional mechanisms. They will also devote efforts to promote the abatement of regional conflicts and other situations affecting the interests of the parties.

For that purpose the High Contracting Parties will conduct consultations on a regular basis on problems of mutual interest.

Article 3

In case of a situation which, in the view of one of the High Contracting Parties, threatens or violates peace or its important security interests, each of the parties may appeal to the other party with a request for urgent consultations. The High Contracting Parties will exchange appropriate information and strive to coordinate suitable measures to eliminate such a situation.

Article 4

Each of the High Contracting Parties prohibits and will interdict the formation or activity of organizations and groups, along with the activity of individuals, aimed against state sovereignty, independence and territorial integrity of the other High Contracting Party.

On the basis of individual agreements the High Contracting Parties will function together in the protection of state borders.

Article 5

Each of the High Contracting Parties pledges to abstain from participation in any actions or measures directed against the other High Contracting Party and prevent its territory from being utilized for the purpose of aggression or other coercive action against the other High Contracting Party.

Article 6

Each of the High Contracting Parties recognizes and respects the right of the other party to independently determine and realize a complex of measures aimed at the protection of its sovereignty, territorial integrity, inviolability of borders and defense capability.

Article 7

The High Contracting Parties, independently resolving questions concerning national security and defense construction, will engage in close collaboration and practical interaction for this purpose. The forms and order of interaction in this field will be regulated by an individual agreement.

Article 8

Each of the High Contracting Parties grants the citizens of the other party, residing on its territory, property and personal non-property rights, the right to rest, to protect their health, receive social security, acquire housing, education, use achievements of culture, participate in public organizations, along with personal rights and freedoms on the same basis and to the same degree as their own citizens. Citizens of the other party receive the same rights on the territory of each of the High Contracting Parties and have the same obligations in labor

relations as its own citizens with the exception of appointment to posts or engagement in activities requiring citizenship of the given party.

Citizens of the other party on the territory of each of the High Contracting Parties have the right to appeal to a court or other state organs for the protection of their rights and utilize the same procedural rights as the citizens of the given party.

Each of the High Contracting Parties protects the rights of its citizens living on the territory of the other party, and provides sponsorship and support for them in accordance with generally accepted norms of international law.

The High Contracting Parties shall conclude a consular convention, an agreement regarding legal assistance in civil, family, and criminal cases and other agreements necessary to ensure the protection of the rights of their citizens residing on the territory of the other High Contracting Party.

Article 9

The High Contracting Parties confirm that respect for the rights of individuals belonging to national minorities, as part of commonly recognized human rights, is an important element of peace, justice, stability, and democracy in the Republic of Azerbaijan and the Russian Federation.

The High Contracting Parties guarantee the right of individuals belonging to national minorities to fully and effectively utilize their human rights and fundamental liberties without any discrimination under conditions of total equality before the law.

The High Contracting Parties guarantee the right of individuals, belonging to national minorities, to freely express, preserve, and develop their ethnic, cultural, linguistic, or religious uniqueness individually or in concert with other individuals belonging to national minorities and to maintain and support their culture in all of its aspects without being subjected to any attempts at assimilation contrary to their will.

The High Contracting Parties ensure the protection of ethnic, cultural, linguistic, and religious uniqueness of national minorities on their territory and create conditions for the encouragement of such uniqueness.

The High Contracting Parties pledge to initiate effective measures, including adoption of appropriate legislative acts, for the prevention and interdiction of any action constituting an incitement to violence against individuals or groups, based on national, racial, ethnic, or religious affiliation, hostility, or hatred.

The High Contracting Parties pledge to undertake effective measures to protect individuals or groups which are subjected or may be subjected to threats or acts of violence, discrimination, or abuse for reasons of their

ethnic, linguistic, cultural, or religious uniqueness, and also to protect their property.

The High Contracting Parties will conclude an agreement on cooperation for the purpose of protecting the rights of individuals belonging to ethnic, linguistic, cultural, and religious minorities.

Article 10

The High Contracting Parties guarantee individuals living on their territory the right, in accordance with their own free will, to retain the citizenship of the country of residence or to obtain the citizenship of the other party in accordance with legislation on citizenship of the parties.

The problems that may occur in case of a conflict in legislation on matters of citizenship of the High Contracting Parties will be resolved on the basis of individual agreement.

Article 11

The High Contracting Parties will develop equal and mutually advantageous collaboration in the field of politics, economics, culture, public health services, power engineering, ecology, science, technology, trade, and the humanitarian, and other spheres, while promoting broad exchange of information. Areas assigned priority in their cooperation, in addition to those mentioned in Articles 2, 3, and 7, will be, in part, coordination of actions, including the realization of coordinated initiatives in various international organizations; protection of human rights in accordance with the basic international documents in this area; coordination in the management of energy, transportation, and communication systems; cooperation in the field of environmental protection; collaboration in the struggle against organized crime, terrorism, and the narcotics business.

The High Contracting Parties will conclude individual agreements on cooperation in these and other areas of common interest.

Article 12

The legal status of government property and property of legal bodies and citizens of one High Contracting Party located on the territory of the other High Contracting Party is determined by legislation of the party where the property is located unless stipulated otherwise by an agreement between the parties.

If one of the High Contracting Parties declares property located on the territory of the other High Contracting Party as belonging to it, which, at the same time, is being claimed by third parties or states, then the other party is obligated to undertake all necessary measures to protect and preserve such property until the final resolution of the question regarding its ownership but does not have the right to transfer it to anyone without the express agreement of the first party.

All other issues concerning property relations involving the High Contracting Parties are subject to settlement on the basis of individual agreements.

Article 13

The High Contracting Parties will ensure development of economic, trade, and scientific-technical relations at the following levels:

State organs of power and administration;

Banks and the financial system;

Organs of territorial and local (municipal) self-government;

Enterprises, associations, organizations, and establishments;

Joint ventures and organizations;

Individual entrepreneurs.

The parties will cooperate in the creation of favorable economic, financial, and legal conditions on their territory for entrepreneurial or other economic activity, including stimulation and mutual protection of investments.

The parties will collaborate in various international economic, financial and other institutions, extending assistance to each other with participation or entry into those international organizations to which one of the parties belongs.

The parties will inform each other in advance about economic decisions which may involve the rights and legal interests of the other party.

Article 14

The High Contracting Parties will ensure freight and passenger transport through their own maritime and river ports and airports, railway, and motor vehicle network, and pipelines and also conclude separate agreements on the establishment of most favored nation treatment with regard to transit of freight and passengers on their territories.

Article 15

The High Contracting Parties will preserve and develop cooperation in the refining, consumption, and export of petroleum, natural gas, and agricultural products, in provision of food, as well as in the area of seismology.

Article 16

The High Contracting Parties will develop cooperation in the area of science and technology, encouraging direct ties between scientific research centers as well as realization of joint programs and research and development, particularly in the area of advanced types of technology. The parties may cooperate in the training of personnel

and also encourage exchange of scientists, those undergoing practical training, and probationers. They will conclude an agreement on recognition of academic diplomas and scientific degrees.

Article 17

The High Contracting Parties will diligently promote the development of economic, cultural, ethnic, and humanitarian ties, develop exchanges in the field of education and tourism, and encourage the free exchange of information. The parties will conclude individual agreements on these matters.

They will promote the study and spread of the Azerbaijani language in the Russian Federation and of the languages of the people of Russia in Azerbaijan.

They will encourage cooperation in these areas, including that between governmental and nongovernmental organizations and establishments, private organizations, and individuals in the realization of joint projects and activity of cultural, scientific, and other funds and associations. The parties will conclude an agreement on the opening of cultural centers of the two countries on each other's territories.

Article 18

The High Contracting Parties will devote particular attention to the development of cooperation in the area of the management of power engineering, transport, data processing, and communication systems, including satellite communication and telecommunication, promoting the protection and development of complexes and individual systems which formed in those fields.

Article 19

The High Contracting Parties will develop cooperation in the field of environmental protection, promoting coordinated action in that area on a regional and global scale, striving for the creation of an all-encompassing international system of ecological security and cooperation, particularly in the protection and restoration of the ecological system of the Caspian Sea region.

Article 20

The High Contracting Parties will collaborate actively on measures designed to combat organized and international crime, illegal drug trafficking, terrorism, illegal acts directed against the security of maritime navigation and civil aviation, and unlawful exportation of cultural valuables.

The High Contracting Parties will conclude individual agreements on cooperation in these and other spheres of mutual interest.

Article 21

The High Contracting Parties will devote particular attention to the development of contacts and cooperation between parliaments and legislators of both countries.

Article 22

The present treaty does not touch on the rights and obligations of the High Contracting Parties stemming from other international treaties whose signatories they are.

Article 23

A Mixed Human Rights Commission is being created in order to ensure the fulfillment of obligations under Articles 8, 9, and 10 of the present treaty by the High Contracting Parties.

The manner of formation and functioning as well as compensation of the commission, created in accordance with this article, are to be determined in a special agreement of the parties.

Article 24

All disputes regarding interpretation and fulfillment of the present treaty are subject to resolution through consultations and negotiations between the High Contracting Parties.

Article 25

The present treaty is subject to ratification and goes into effect on the day of exchange of ratification instruments.

Article 26

The present treaty is concluded for a term of five years. Its term will then be automatically extended for subsequent five-year periods if none of the High Contracting Parties declare their desire to denounce it through a written notification of the other High Contracting Party not less than six months prior to the expiration of the current five-year period.

The provisions of the present treaty may be amended or altered upon the mutual agreement of the High Contracting Parties.

Done in Moscow on 12 October 1992 in two copies each in Russian and Azerbaijani languages, with both texts having equal power.

[Signed] B. Yeltsin, for the Russian Federation
Abulfaz Elchibey, for the Republic of Azerbaijan

Misuse of Housing Funds Decried

934.104794 Moscow KURANTY in Russian 21 Nov 92
p 4

[Article by Lidiya Malash: "Poor Deputies From a Rich Parliament"]

[Text] No matter how we may quarrel over the ways to develop the state, and no matter how we may defend the various "isms" which are interesting to our minds and hearts, society is now gradually becoming more and more capitalistic. Russia's citizens are becoming property owners. A few days ago the Supreme Soviet passed a law on introducing changes and additions to the RF [Russian Federation] Law on Privatizing Housing. From now on it must be privatized free of charge.

State duties are being eliminated: all that remains now is a notary's fee for drawing up a contract in the proper order. Persons who have houses or apartments will rejoice, whereas those who do not have them will be sad. By the way, judging by the statistics, there are quite a few of the latter in our country: More than 10 million Russian families are on the waiting list for improved housing conditions; 6 percent of the country's population live in communal housing, while 3 percent reside in dormitories.

Article 4, Paragraph 6 of the new law proclaims the following: "Property owners of available housing or persons (organs) entitled to be owners, as well as enterprises for which available housing has been reserved with the right of complete economic management, in addition to institutions to whose operational administration available housing has been transferred, shall have the right and be entitled to take decisions on privatizing service-type housing space and communal apartments." It is this legal norm—apparently so innocent at first glance—which will serve as the topic of our conversation about deputies' privileges.

What do the people's elected representatives—who have been called "the slaves in parliament" by S. Filatov, first deputy chairman of the Supreme Soviet—have at present? A splendid salary (which is perfectly just and fair), one or two automobiles each (a provision which has evoked doubts about its justness and fairness), dacha lots in Istrinskiy Rayon, purchased at a price of 20,000 rubles each (here it is better to remain silent about justness and fairness) and apartments. The deputies from Moscow have their own apartments, whereas the deputies who are not from Moscow have their own apartments as well as office space. Russian deputies have obtained 484 apartments, of which 173 are located on Korolev Street, 99—on Dubnin Street, and 212—on Rublev Highway. (By the way, in House No. 34, Wing 2 on Rublev Highway 112 apartments are still occupied to this day by former USSR deputies). These apartments are very fine, for they have everything—ranging from blinds to refrigerators, television sets, and upholstered furniture. At first the deputies purchased this entire set of furniture, etc. for 10,000 rubles, but nowadays—taking inflation

into account—the price is 40,000. "Now everybody—deputies included—live in accordance with the laws of the marketplace," asserts S. Filatov. Alas, the "deputies'" market somehow does not square with the market for the "general citizenry," where a television set alone now costs 50,000 rubles.

And so, let's return to the article in the Russian Federation Supreme Soviet law on privatizing housing. From now on our Russian deputies will be able to become the owners specifically of these office-type apartments. This is the case because the KhoZU's [economic administrations] of the Supreme Soviet or the Presidium are institutions which have the right to take decisions regarding privatization. But what will they do with their apartments in other cities? you will ask. Well, whatever they like! They can rent the apartment for dollars, or they can sell it at an auction.

For the sake of fairness, let me say that far from all members of parliament were overjoyed at accepting such a change in the law on privatizing housing. Some have directly declared the inadmissibility of such privileges for deputies. For example, Yu. Yelysov, a deputy from the Moscow suburbs (who, by the way, had been offered an "authorized" office-type apartment on several occasions), considers that this legal norm could become the start of a process of corrupting the country's highest legislative organ.

But no, this has not yet been condemned as such. Today Russia's Supreme Soviet is a serious property owner; it has at its disposal not only such facilities as, for example, the parliamentary center or printing plant, but it also possesses funds. For example, pension funds, about which everybody knows and around which disputes are taking place between the parliament and the government. Fewer people know about another fund—one for social assistance. Deputies call it the "Khasbulatov Fund," inasmuch as it is at the speaker's personal disposal. There is likewise a third fund—the Russian Fund for International Humanitarian Aid and Cooperation (in everyday usage it is called the "Yu. Senkevich Fund"). It was approved by the Russian Federation Supreme Soviet Presidium, and the following items were turned over to its jurisdiction: 1. the administration building at 11 Seleznev Street, with a space of 1,562 square meters; 2. the administration building at 7 New Arbat Street (with 460 square meters of space); 3. the municipal services enterprise at 4 Kulnev Street (with 21,200 square meters of space); 4. the "Union" agrofirm situated in the village of Shchelkanovo, Yuhnovskiy Rayon, Kaluga Oblast (with 12,147 hectares); 5. a dacha in Sosnovka-1 (with 11.5 hectares), and a dacha at Gorkiy-10, Odintsovskiy Rayon (with 5.5 hectares); 6. the Batutinki Pension, Leninskiy Rayon (with 145 hectares); 7. the Hotel Arbat at 12 Plotnikovskiy Alley (with space for 170 guests).

After looking at such a substantial list of "choice morsels" of property, the following question arises: For what reason and for whom does this fund operate? A directive

from S. Filatov dated 14 May 1992 states: "It is hereby established that the facilities of the social sphere shall be utilized to render privileged services to the especially needy and to the poor strata of the population by means of the fund's assets, as well as for the purpose of attracting revenues in order to fill out the financial assets of the fund and to develop their own base." Well now, let's assume for a moment that the Batutinki will provide rest and recreation for families with many children, old ladies devoted to God, or poor students. They will be wearing beautiful and inexpensive clothes made in the everyday-services combine, and they will be fed high-quality products grown in the fields of the "Union" agrofirm.

You don't believe it? Well, that's that! But, among other things, that selfsame S. Filatov in an interview for *VECHERKA* dated 17 November explains that quite a few different public funds have been created here in our country; they pay for foreign trips taken by parliamentary deputies. "On a moral level this is degrading," says Sergey Aleksandrovich. "Most likely, when we become a bit richer, we will assume this obligation for ourselves." It seems that the parliament is becoming rich... The only pity is that it is attempting to cover its wealth with plaintive lines about "especially needy and poor people."

European Experts Show Need for Interstate Bank

934.405014 Moscow *NEZAVISIMAYA GAZETA*
in Russian 11 Dec 92 p 4

[Article by Daniel Gros and Gerard Druchenne of the European Expert Service and Oleg Vyugin under the rubric "Currency": "The Future of a Single Monetary System for CIS: There Will Be None Without an Interstate Bank"]

[Text] The interstate commodity turnover of many of the former Soviet republics involves more than half of their entire production volume. The economies of the CIS nations are far more closely interlinked than those of states in the European Community, where this accounts for only 25 percent on average. Interpublic commodity turnover is dropping rapidly today, creating obstacles to successful movement toward a market economy. There are objective reasons for this: the altered production structure and its orientation toward civilian needs, breakdowns in economic ties due to territorial and ethnic conflicts, and so forth. But there is also another factor, whose role is growing rapidly. It is the payment crisis, which threatens to completely sever all economic ties within CIS.

Most interstate accounts within CIS are handled in rubles. In reality, however, the clearing ruble no longer has the same purchasing value in the different CIS countries. Following the breakup of the USSR a situation developed in which it was more profitable for each state to simulate as many clearing rubles as possible in order to import more goods from its neighbors. Russia

suffered especially severely from this, since it was exporting large amounts of energy and raw materials at prices considerably below world prices, which the states then re-exported for dollars. On 1 July Russia established a system of bilateral, correlative accounts which requires that each state import from Russia as much as it exports to Russia.

There are great flaws in this system. In the first place, it is bilateral and does not permit a trade deficit with some republics to be covered by trade surpluses with another. The system is not recognized by certain states, which send surplus payments to Russia. The TsB [Central Bank] freezes them. That is, it does not transfer them to commercial banks, so that Russian exporters either do not receive payment for shipments or else halt the latter.

There are two ways out of this crisis for transactions within the ruble zone: either return to a single ruble or recognize the rubles of different states as equal.

One Ruble for All

Many people view a return to a single ruble as a restoration of the former Soviet ruble's validity, a situation in which the clearing ruble crossed republic borders with no restrictions through an MFO [interbranch turnover] system, and no one had to worry about the balance of imports and exports. One should not forget, however, that this system existed in a situation of rigid centralization of supply and prices behind which lay subsidies among the former republics. Enterprises and producers are now in a different position, so that it is an illusion to think of returning to that kind of ruble region. The correct question is whether a single monetary system without barriers to interstate transfers can be preserved following the breakup of the USSR. It is possible in principle, if the participating countries give up their autonomy in tax, credit and monetary policy. Since the countries want to retain their independence in these matters, however, Russia will not (and should not) abolish the system of control through correlative accounts. The most simple solution—to retain the current ruble as the only accounting currency—has therefore proved unattainable.

We have an example of such a system in operation in world praxis, however. The franc zone links France with more than 20 African nations. Those countries are not in a position (or consider it not to be to their advantage) to convert to their own currency and have preferred to retain the monetary unit of their largest partner. They have not lost their political independence in any way in the process. The franc zone is based on a single source of currency emission and credit for the group of nations or a credit and monetary policy coordinated among the member nations. In the currency zone each nation may have a budget and trade deficit only as large as permitted by the main nation in the zone. The common zone offers advantages (and a similar zone could offer advantages to

certain CIS nations), but it also imposes obligations which far from everyone in the former USSR wants to (or can) meet.

To Each his Own Ruble

What if we did in fact recognize the rubles of different nations as unequal? The ideal situation in this case would be to form a free currency-exchange market within the territory of all the CIS countries. Such a system could only function successfully if all of the countries participate. If, for example, Russia does not allow commercial banks to do business using foreign (republic) currencies, this complicates transfers to Russia. And that is the case today. Only if all the CIS nations make their currencies convertible and they enjoy some kind of trust can we consider a free currency-exchange market for the CIS countries. The difficulties encountered in trying to implement this ideal solution can be seen in Latvia, where "Russian," "Kazakh" and other clearing rubles along with Ukrainian coupons are used in local banks. The margin between purchases and sales is so great (100 percent) that these exchanges do not reflect the real market. The risks stemming from distrust and the unpredictability of the monetary policies are possibly so great that the enterprises might have to pay a 100-percent "tax" on reciprocal accounts crossing the borders of the republics. It is obvious that this is unacceptable from a practical standpoint.

While an effective currency market cannot be set up instantaneously, an interim solution is realistic. Can countries with partially or totally nonconvertible rubles engage in trade? Russia and Ukraine do. It requires an agreement on the accounting procedure such as the one which exists in the case of the bilateral correlative accounting. It is important to move from bilateral to multilateral correlative accounting, thereby creating a real ruble region. Such a system requires a clearing ruble. The ECU, which is rated against the dollar in the package of European currencies, constitutes such a unit in the European Community. Since, unlike the situation in Europe, Russia's weight clearly prevails, it would be expedient to introduce a special monetary clearing unit to be exchanged by the Bank of Russia (and others as well) for rubles at a rate of 1:1.

In the second place, we must have an (interstate) bank which would open an account in clearing rubles for the national bank of each country participating in the ruble region. Payments for imports and exports, as well as other operations not involving trade, would be handled through this account. In the third place, in order to activate the system, the bank should open a line of "technical credit" in clearing rubles (that is, establish a ceiling for debit surplus), the amount and the use of which would be governed strictly by coordinated regulations. The surplus for each member would be specified each week, for example. If there is a debit, interest would be added to the debit, and if the deficits continue for

several weeks (within the limits of the overall technical credit), part of the surplus would automatically be paid in SKV [freely convertible currency]. Finally, if a member does not observe the "rules of the game," it could be expelled from the system. The possibility of depriving them of use of the system—that is, forcing them to deal only in dollars—would be a punishment severe enough to ensure that all of the members attempt to follow the regulations. Observance of the rules of the game would be very advantageous also for the crediting countries.

A final note: Is there to be a single ruble (ruble zone) or different rubles (ruble region)? The answer is simple. There will be both. Nothing is preventing those countries which want to retain the ruble as legal tender within their territories from participating in the multilateral clearing system. They will simply have additional rules. In order to give all the members of the former Union time to decide, we should start with the most simple step: for a beginning, establish a multilateral clearing system, while at the same time working out the terms of additional rules for the ruble zone. The countries can then choose a path between the ruble and their own currency.

POLITICAL AFFAIRS

Tuleyev Reflects on 7th Congress

934C 05884 Moscow SOVETSKAYA ROSSIYA
in Russian 19 Dec 92 pp 1, 3

[Interview with Aman Gumirovich Tuleyev, opposition deputy, by N. Garifullina, place and date not given. "To Escape the Disorganization"]

[Text] Aman Gumirovich, you represented the opposition at the Congress but it, in turn, expresses the interests of our people who are being impoverished by the reforms. From this standpoint, how are the results of the Congress to be assessed?

[Tuleyev] Ambiguously. I cannot use only one color. What is good is that it was held at all, and that the deputies did not allow it to be disrupted. The Congress displayed its fighting nature, it became a monolith—for at a critical moment the deputies did not waver, they did not break up. According to the adopted decisions, people should finally realize that it really is a higher state authority.

The Congress was a barrier to the further conduct of an antipopular policy. The policy of the Yeltsin-Gasdar government was found to be antipopular and not corresponding to the interests of a majority of the people of Russia, and the government was given an unsatisfactory grade. The opposition set for itself the task of opening the eyes of the people. Reforms should be conducted for the people, but you, Mr. President, and gentlemen from the government, are conducting them against the people.

As is said in the classics, all the masks were torn off at the Congress in every possible way. With all the round-the-clock propagandistic jabber, with all of the false ratings that television from day to day pounds into the heads of credulous Russians, a true picture came to light. The president ended up in the minority. Remember, it was said of him, and he himself bragged more than once, the "people's," and "all people's," and so forth. And so what? When on 10 December he laid down the challenge "whoever is for me, let us leave the Congress!" he was followed only by a small group of deputies. He again turned directly to the people—and, again, he did not receive support. This should be a sobering lesson for Boris Nikolayevich. It is impossible, for the sake of personal pride, to plunge the people into a web of folly and division.

[Garifullina] You know, one deputy-democrat angrily said to me: "What kind of opposition is this if they are in the majority today?" The deputy corps really acted in a united way at the Congress.

[Tuleyev] You see, the threat that hovered over the congress all the time rallied many people. (Recall, Shumeyko even became indignant—so, he said, these 60 people work in the administration, but they vote against the president.) As if getting an enlightening lesson, the

deputies reexamined their positions. I even knew some of them in the Democratic Russia bloc who did not come out for the president!

[Garifullina] If we return to 10 December, and set out the facts in a consecutive sequence and analyze them, does it not seem to you that a definite scenario becomes visible?

[Tuleyev] I believe that a plan was clearly worked out to disperse the Congress. Anyway, this disruption was supposed to occur, and what was behind it will become known. On the last day of the Congress, at a conference of soviet chairmen, I appealed to Ruslan Khasbulatov: Create a commission and conduct an investigation into what forces wanted to disrupt the congress and what were their objectives. Well, there is nothing to investigate here—everything was transparent, only a blind man would not see it. The scenario is simple: The president departs, and it is the end of the Congress. What snagged them? They thought that half the Congress would follow him, after which the communications system would be turned off, the lights out, and there would be no quorum. "Well, muzhiks, let us go home and reconvene after the referendum."

[Garifullina] But the OMON [Special Purpose Militia Detachment] were already standing at the exits, and trucks brought in by Luzhkov were being driven around the Kremlin.

[Tuleyev] Yes, everything was prepared. The president, on arriving at the Faceted Chamber—there were many journalists present—said: The quorum should be broken, and you know how to do this. It was not just anybody who said this—it was the president! But, nevertheless, there was a quorum at the Congress. And it was a great victory for the deputies that they did not permit its dispersal, like the Union Congress was dispersed a year ago.

[Garifullina] Well, what were the miscalculations?

[Tuleyev] I would put the compromise document and how it was adopted on the minus side. All of this left an oppressive impression. When the president is unpredictable, when he changes decisions by the minute, and when his objective is concern not for the people but for his personal authority, and the future wrecking of the economy, then this is a dangerous document, and it was impossible to sign it.

Before the adjournment of the Congress the president assembled the chairmen of the soviets. I see that the games were a success. I then said: Well, you signed a conciliatory document. It would appear that there is a compromise on paper, but in fact there is none. And you are the first to violate the agreement. You organize rallies, and you cut off candidates proposed by the deputies. In general, do you guarantee the implementation of this agreement? "Well, what can I tell you, Tuleyev? I guarantee it," Yeltsin answered. But we became convinced of the nature of his guarantees. He is

already reinterpreting all the decrees in his own way. Travkin also reproached him at the Congress: "Well, how come, Boris Nikolayevich, we came to an agreement with you about certain candidates, but you are not looking into them at all?" The reason why the Congress established a commission on interpretation of decrees is that there is no trust. But personally I am still firmly convinced that nothing worthwhile will come out of this compromise, and that the president will not implement even one of the decrees, just as he did not implement any before.

So, this nagging thought sticks in my head: There are two ways to put an end to all of this. Either the president will show his true colors to the end and mess everything up, and then the last person will understand that there is nowhere to go. Or it will nonetheless be necessary to conduct a referendum on the question of trust in both the president and the deputy corps, and, afterwards, once again hold elections and start reforms all over, but exclusively in the interests of the people.

Therefore, what is the minus side of the Congress? The chief culprit in the collapse of the economy and the people's troubles is the president, but the president was not given a personal evaluation, although we gave him great authority until 1 December.

[Garifullina] The Russian government now has a new chairman. What changes can be expected in connection with this appointment?

[Tuleyev] To a considerable degree, everything will now depend on the personal qualities of Viktor Chernomyrdin. I know him. I met him when he was still working as the chief of roads. He is businesslike. A sober-minded person, and a good practical person. As they say, he has both feet on the ground, he thinks on a large scale and realistically. He went through a good management school. But a lot depends now on the manifestation of personal qualities. If he hangs on to every word of the president, nothing will happen. The president's position is well known—how he conducted the policy on the collapse is the way he will continue. This means that there is a time bomb here. If the premier intends to stop the collapse, it will go off.

Chernomyrdin said that we can no longer conduct reforms given such impoverishment of the people. Here his position and ours coincide: Reforms are for the people. But why did he not bring his program out at the Congress? I, for example, do not understand the deputies in this case. Well, what was the hurry? We could have delayed for one more day in order to hear what the prime minister wants and where he will lead us. What kind of support does he need? The government moves under the president!.. So, it is not known how the fate of the new premier will turn out. If he holds out—good. But if he wavers and begins to conduct the previous policy—this will be dreadful.

[Garifullina] What first steps should the government chairman take now? What would you do if you were in his place?

[Tuleyev] From my standpoint, it is necessary to dispose people psychologically to the fact that finally a new reference point has appeared, and that reforms will turn to the individual. But nonetheless, it is necessary to start from the elementary establishment of order.

The duty of the state is to protect the individual in order that each person feel secure. Churchill was asked at one time what he meant by democracy. He answered: Democracy is when every person in England knows that when there is a knock at the door it is not a gangster, not the police, not Scotland Yard, but the milkman. But in our country? People live in fear, and shudder at any knock on the door... Let people see that a government has appeared that guarantees order and security.

Second, work incentives have to be created, that is, work out a system of taxes and wages so that the volume of production will increase.

Social fairness is needed in evaluating labor, and the evaluation must be public. Labor must once again become an honorable thing, and a measure of the social importance of a person. Further: We must immediately work with science. The market is a breakthrough into the future, but what kind of a "breakthrough" do we have when professors and doctors of science live like paupers. All of these programs exist.

[Garifullina] But is this achievable now?

[Tuleyev] If the premier retains Gaydar's team, it is unlikely that he will be able to turn the policy around in this way. After all, the country is being pulled apart before our eyes, and everything is being grabbed, grabbed, grabbed. Some are creating capital and others want to insure themselves for a rainy day. And the rainy day is getting longer and longer...

[Garifullina] Does this mean that changes in the composition of the government are necessary?

[Tuleyev] Of course! I would examine every candidate purely according to business qualities. I would make judgments this way: the minister of railways... Well, what, a normal muzhik, he knows his business, let him work. But is it really possible to keep a minister of foreign affairs only for that agreement regarding the transportation, storage, and destruction of nuclear weapons signed by Yeltsin and Bush? After all, according to this agreement the president is squandering the country, granting the United States unilateral right to export anything at all without customs inspections...

[Garifullina] What kind of financial policy do you expect?

[Tuleyev] The priority goes not to credits but to investments. A decentralization of the economy must occur—it is impossible to manage everything from Moscow. But without the regions, krais, and oblasts the government will not do anything, the Gaydar policy has already shown this to be the case.

Therefore there is a need for decentralization and a shift of the weight of economic reforms to the regions. Why is

this important? Russia is not homogeneous. Some regions are raw materials regions, others—agricultural, and still others—mixed. Consideration of the features of regions and granting them important economic rights is that springboard from which it will be possible to make a very fast jump.

The second step—taxes. The city and the oblast should know. This is their tax, and this is the Russian, federal tax. But when the treasury starts to jingle, select priorities, but do not spread yourself thin.

[Garifullina] What does the Kuzbass expect from the government?

[Tulev] A plan is needed to restore the mines and the open pits for the entire coal industry. Seventy percent of the mines in our country need to be reconstructed. It is necessary to calculate how much coal and fuel will be needed and, based on this, come to an understanding specifically with each coal enterprise and invest money in its development. I see no other way.

[Garifullina] Did you touch on the question of corruption and the interlocking of the authorities and business?

[Tulev] This is a dreadful epidemic, and it has even overwhelmed the government, this was talked about at the Congress by Rutskoy and Khasbulatov, some figures were cited, and even the president touched on this subject. It is sad and laughable. If you cannot establish order in the government, what can be said about the country?

Here in Prokopyevsk a group of deputies put the question point blank—why not check on an enterprise that has fused with the administration? The power structures do not check them and the tax inspectors cannot approach them, because the director of a firm is certified as an assistant to an empowered president. And the firm already has its own illegal armed detachments. Could something like this really be without the support of the administration and the government?

Another example. A state building, the property of the people, stands alongside our oblast soviet. The government and the administration of the oblast lease it out for a fabulously low lease payment, and the new proprietor establishes a fantastic lease payment, with zeros, for those organizations that are housed in the building. Everyone is outraged. "Oh, you do not like it? Clear out!" And the "proprietor," without producing anything or lifting a finger, gets 200 million rubles a year just for leasing out a government building. Is it not amazing that it is these "owners" who are now financing the work train, and it brings the administrative elite to Moscow in order to support the government? There is a pile of such examples. Not to see this is criminal. To whom is our best land distributed? The nomenklatura. The workers and the peasants will get nothing.

[Garifullina] Aman Gumirovich, you have presented a gloomy outlook. But turning back to the Congress, what awaits us? Will the next Congress be held?

[Tulev] I think that a massive attack will now commence on the part of television, radio, and the yellow press. Of course, the results of the Congress will be denigrated. The order is being executed precisely. Physical threats are already in progress. I have received an official warning that an assault on me is being prepared. These are no longer rumors, and there was an official warning from both the Ministry of Internal Affairs and the Ministry of Security.

In general, the future arrangement will depend on whether the president of the government, the chairman of the Supreme Soviet, the vice president, plus also 600 deputies, take a sober position. Then they will be able to change things. The main task is to shift the center of gravity to the regions and, jointly with the government, to do everything to stop the drop in production and to turn the reforms back to the individual and to Russia.

Creation of Presidential Party Criticized

934C05394 Moscow ROSSIYSKIYE VESTI in Russian
5 Dec 92 p. 2

[Article by Andrey Kolesnikov: "Are the Branches of Government Turning Into Political Parties?"]

[Text] As you will recall, in early July of this year a political bloc comprised of reform supporters was created. Even earlier, just before the 6th Congress of People's Deputies, during a period of meetings between the President and parliamentary factions, there was some talk about the need to establish a "support party." Faced with the threat of a common danger and against a backdrop of growing resistance from conservatives, the democrats were attempting to join forces.

Last week the process of official formation of this "support party" did not exactly culminate, but it did enter its decisive phase. At a forum of reform supporters Boris Yeltsin stated the need to create a sort of presidential party or corresponding social movement. The press immediately reminded Yeltsin that this was in contradiction to his previous position. Boris Yeltsin repeatedly has said that the President should not belong to any party, and that he expresses the interests of the people, i.e. interests above those of any party.

Radical democrats have criticized Yeltsin for this sort of statements and positions, yet have not found it within themselves to provide any effective or significant support for the President, nor to create a constructive opposition that could criticize the actions of the highest official in the state from a democratic, liberal standpoint.

During the time that has passed since the 6th Congress of People's Deputies little has changed in the big picture. As before, attention remains focused on this confrontation.

unproductive and pointless, between the two branches of government in a situation of unclarity surrounding the constitutional principles upon which the Russian state system should be based. In essence the branches of government have been transformed into two political parties, parties with real weight and influence, in contrast to the "toy" parties of every sort that exist. Parliamentary factions have in fact been transformed into intra-party factions capable of forgetting their fundamental differences and joining forces at crucial moments.

If a "presidential party" is in fact officially established, the multiparty system in Russia will have been discredited. Here is why: it is not bad enough that we lack a parliament founded on the party principle—now we may see the emergence of a new party whose "boundaries" will coincide with the executive branch. Its location will strangely coincide in the public mind with the site of the previous "leading and guiding party" on Staraya Square.

Does the democratic movement need that? Does the executive branch need it? I think not. And the establishment of a "support party" could give the opposition new ammunition, not to mention the side effects.

Edict on Removal of Presidential Representatives

935D0169D Moscow ROSSIYSKIYE VESTI in Russian
2 Dec 92 p 1

[Unsigned edict: "Removals by Edicts of Russian Federation President Boris Yeltsin"]

[Text] - Andrey Aleksandrovich Zakharov is hereby removed from his position as representative of the President of the Russian Federation in Amur Oblast, due to his election as deputy to the Supreme Soviet of the Russian Federation.

- Yegor Vladimirovich Yakovlev is hereby removed, in accordance with the change to the Edict of the President of the Russian Federation, dated November 24, 1992, from his position as Chairman of the Russian State Teleradio Company "Ostankino," due to his transfer to another position.

Deputies Call on Yeltsin To Reinstate Official

934C0553D Moscow ROSSIYSKAYA GAZETA
in Russian 10 Dec 92 p 3

[Inquiry to Yeltsin from two deputies: "Deputies' Inquiries to B.N. Yeltsin, President of the Russian Federation"]

[Text] The central press has recently published more than once information about the unhealthy situation that has developed in the Control Directorate of the Administration offices of the President of the Russian Federation, having to do with Chief State Inspector

Boldyrev forcing people to use illegal investigative methods. In essence, a highly qualified and efficient collective has disintegrated.

Scandalous illegalities were attributed to N.V. Postovoy, former deputy chief of the Control Directorate, who—because of fabricated evidence by Boldyrev—was dismissed from his position by your directive of May 5, 1992, No. 205-rp, "for a single gross violation of work responsibilities." (According to the law, dismissal is illegal.)

A number of government managers, ministries, committees of the Russian Supreme Soviet, and the administration offices of the President were involved in the legal assessment of the ensuing conflict.

According to conclusions reached by N.V. Fedorov, Minister of Justice of the Russian Federation, and A.A. Aslakhanov, chairman of the Committee of the Supreme Soviet on Questions of Legality, Law, and Order, and Struggle Against Crime, N.V. Postovoy's dismissal was illegal.

Postovoy was unemployed for a period of four months.

In accordance with Article 121 of the Constitution of the Russian Federation, when you attained the powers of the President you took upon yourself the responsibility to "respect and safeguard the rights and freedoms of individuals and citizens."

We would like to hear from you as to why this business is continuing to satisfy someone's personal ambitions, without any kind of explanation, and why—despite numerous appeals—measures on work responsibilities have not been taken by you against the high officials who have violated the law.

In the given case, only you, as President of the Russian Federation, can restore law and justice.

(Signed) People's Deputies of the Russian Federation

Valeriy Ikonnikov, Traktorzavodskiy Territorial Electoral Okrug No. 313, Volgograd Oblast, and

Vladimir Lisin, Sverdlovskiy National Territorial Electoral Okrug No. 37, Nizhegorodskiy Oblast.

FROM THE EDITORS: This request was given to the Secretariat of the 7th Congress of People's Deputies of the Russian Federation, to be handed over to B.N. Yeltsin, President of the Russian Federation.

Shakhrai, Poltoranin Seen as Potential Leaders of Reform Bloc

93440507A Moscow ROSSIYSKIYE VESTI in Russian
17 Dec 92 p 1

[Article by Dmitry Lvov: "Who Will Now Become the Theorist of the Reforms"]

[Text] A government venturing to implement reforms always has a reform ideologist. And although, understandably, such a large-scale undertaking as reforms cannot be generated in a single mind and that this is a kind of group scientific-managerial and organizational venture, they are, nonetheless, usually linked with a specific individual. If we recall the past, these have been Stolypin and, addressing foreign experience, Balcerowicz. In Nikolay Ryzhkov's Council of Ministers this role was performed by Academician Leonid Abalkin, and in Silayev's government, initially by Grigor Yavlinskiy and subsequently by Yevgeniy Saburov. A whole group of economists headed by Academician Stanislav Shatalin worked for President Mikhail Gorbachev. Public movements have their economic program ideologists also. Arkadiy Volskiy's team, say, even has its own Expert Institute headed by Professor Yevgeniy Yasin.

Even recently there was no question as to who was the ideologist of the reforms in the present Russian Government. Yegor Gaydar, who headed it, was both the ideologist and engine of the reform. Although in economic policy, which is built in accordance with objective laws, it is hard to catch the degree of expression, individual handwriting and a particular system of priorities and preference criteria may be discerned no less clearly. It is clear that some common intellect and generator of ideas is needed in group work on the formulation of the directions and the practical implementation of the reforms.

Who now in the government, which has come to be headed by Viktor Chernomyrdin, will assume the role of ideologist of the reforms? Or has the stage of the reforms arrived when there should be at the helm no longer a theoretician but a practical expert infinitely conversant with the national economic mechanism and when we should be switching in decisions from a certain theoretical romanticism to strict pragmatism? These questions and thoughts arise when one begins to reflect on what the apportionment of forces and what the alignment of figures in the government will be. And much here will depend on who comes to occupy the vacant position of "reform ideologist," whether continuity is observed here and whether this is a person from the former Gaydar team—Minister of Economy Andrey Nechayev, say—or whether an entirely new figure emerges.

Aside from the "theoretical" bloc associated with elaboration of the economic reform, an ideological bloc has been revealed in the present government also. Following the departure of Gennadiy Burbulis, the government has essentially had no figure dealing with the ideology and philosophy of the reforms in the broad meaning of this word. Mikhail Poltoranin attempted to perform this role, evidently, but today he is no longer a member of the government either. As a result it has transpired that in terms of pace economic reform has outdone political reform, and the government has concentrated on purely economic problems, in the main, leaving the political sphere to be farmed out to another branch of power—the legislature.

In this sense the position of the present government is little different from the role which the Council of Ministers performed in Ryzhkov's time—it was essentially a giant ministry for managing the national economy. Nikolay Ryzhkov himself acknowledged that in the government there were ministers who were not in the least subordinate or accountable to him—the leaders of the Foreign Ministry, the Ministry of Defense, the MVD, the KGB and the military-industrial complex were "curated" only by secretaries of the Central Committee and the general secretary personally. Today parliament, which is demanding that the appointment of the "power" ministries and the Foreign Ministry be put in its hands, is laying claim to this leading role.

I once asked Yegor Gaydar: To what extent does the government leadership influence such ministries as the Ministry of Defense, the MVD, the Ministry of Security, and the Foreign Ministry? He replied that there is a concept known as presidential ministries. The Ministry of Security, Foreign Ministry, MVD, Ministry of Defense—these are presidential ministries. These are the bodies whose leaders go directly to the president. On certain matters only he is authorized to give them instructions. If it is a question of use of the army, for example. But the leaders of these ministries still take part in the work of the government here. If, on the other hand, troops need to be committed somewhere or other, Pavel Grachev receives instructions in this connection and confers exclusively with the president. If, however, it is a question of an order for the purchase of arms, food supply, or funding, the Ministry of Defense is for us a regular ministry like any other which participates in the business of the Council of Ministers. This tradition prevails and persists in a sense, but to less of an extent than was characteristic of the former Union structures.

But is it not the case that in having become preoccupied with macroeconomics the government has not been involving itself with the formulation of an official ideology? To this Yegor Timurovich responded as follows: "All that we have done and are doing has been subordinated to a single task: the preservation of Russia and its integrity and assurance of the possibilities for its new start. It is our profound conviction that patriotism today is connected not with the waving of red flags and nostalgic reveries concerning past imperial glory with a large number of missiles but with the firm confidence that our country is not doomed and the fact that it has perfectly sufficient resources and intellectual and other potential to become a normal civilized state. But the road to this runs only via a normal civilized system.

Such is the view of the former premier. We will soon know the position of the new head of government, if not via such statements, via, say, the appointments which he makes. In our view, it is possible that the government's ideological bloc will be in the charge of Vice Premier Sergey Shakhrai, but the option of a return to this role of Mikhail Poltoranin, who could come to head the Federal Information Agency with the rank of vice premier, cannot be ruled out either.

The appointment as prime minister of Viktor Chernomyrdin, a top industrial manager, but not a politician, is perhaps in keeping with the nature of the tasks which confront the executive at this stage. There will be an increase in the political role of the president here, which hardly corresponds to the desire of parliament to exercise undivided sway in this sphere. But a principal task of democracy is to first infuse the three branches of power—legislative, executive, and judicial—with real authority and only then undertake to balance them. Only thus can crises of power similar to that which we have experienced recently be avoided.

MDR Holds Press Conference on Solution to Economic Crisis

934C0539B Moscow KOMMERSANT DAILY
in Russian 28 Nov 92 p 8

[Article by Yuliya Salnikova: "The Russian Movement for Democratic Reform Proposes Its Program for Overcoming the Crisis"]

[Text] On 26 November a press conference was given by the leaders of the Russian Movement for Democratic Reform. The press conference was devoted to the outcome of yesterday's meeting of the movement's central board. Gavril Popov, the movement's leader, urged all democratic forces to consolidate around the most constructive anti-crisis platform, and expressed his confidence that the Movement for Democratic Reform program is in fact that platform.

It was noted at the press conference that "Russia's citizens want reform," yet the system of power still has not seen the emergence of a bloc of forces capable of implementing radical transformations. In the opinion of the movement's leaders, the current government has no clear-cut program for overcoming this crisis, and its proposed draft laws are merely an attempt to return the country to strict regulation, or else will lead to an uncontrolled transition to an unmanageable market economy.

The movement insists that it is essential that legislation be created to govern the transition period from totalitarian socialism to a rule-of-law state. In the opinion of Anatoliy Sobchak, the movement's co-chairman, during that period it will be necessary to grant the president additional powers, both legislative and executive. "The president should be head of state, not head of an administration," declared Sobchak. The movement also favors the soonest possible selection of a Constituent Assembly, the task of which would be to adopt a new Russian Constitution and an election law.

Connections Between Burbulis and State 'Analytical' Service Questioned

934C0502C Moscow ROSSIYSKAYA GAZETA
in Russian 5 Dec 92 p 3

[Report by Ivan Chistov: "At Whose Expense Are the Analysts From RF-Politika Living?"]

[Text] The essence of the claims made by opponents who were cut to the quick by the publication by ROSSIYSKAYA GAZETA of the piece "Who Is Keeping Provocateurs from RF-Politika Under Their Wing?" (13 November 1992), consists in the following:

- the analytical notes of the RF-Politika center do not have a provocational character;
- Gennadiy Burbulis bears no relation to the center and to A. Sobyenin's "analytical" group;
- the above-mentioned center and A. Sobyenin's group are two completely different and unconnected structures. And finally, accusatory materials connected with RF-Politika that have been disseminated among people's deputies of Russia are supposedly forged

Let us first of all turn to the documents and evaluate separate (and there are many of them!) excerpts from the analytical notes of the center and its experts that came out in 1992 (we take only one aspect—attitude toward the new leadership):

On the president. "And today, when no answer is heard to the sacramental question, 'Are you with the people, Boris Nikolayevich?'—it turns out to be necessary to ask new questions: Is it a question only of the incompetence and irresponsibility which is becoming criminal by virtue of the scale of the responsibility, or of the inability to understand that for the trust of millions it is necessary constantly to pay a high price—or simply of the return of a prodigal son, who has achieved that for which he had striven all his life—the post of general secretary in the Kremlin":

On the Congress, on the Supreme Soviet and its chairman. "The Supreme Soviet and the Congress of People's Deputies are turning progressively into a nomenklatura-hierarchical apparatus for the establishment of personal power of R. Khasbulatov, who is prepared to form alliances with anyone and on any basis, just so that his power is strengthened":

On the vice president. "The coordinated 'salvo' of the Baburin-Vasilyev publicism, under cover of the name of Russian Vice President A. Rutskoy (PRAVDA, 30 January; IZVESTIYA, 31 January; PRAVDA, [unclear figure] February) confirms the long-noted transformation of this figure into a central symbol of the counter-reform process":

On the president's milieu. "Immediate measures to liquidate the 'nomenklatura underground' surrounding the president of Russia, deliverance from odious procumunist figures (Yu. Petrov, Yu. Proshin, and others), the investigation of the 'economic' activity of KhOZU [expansion not given]; the dissolution of all kinds of 'parallel centers of power' (the president's "Expert Council" and others....)":

One could cite dozens of other excerpts from the dossier of RF-Politika on people's deputies, government activists, and leaders of the democratic movement.

So, attempting to keep the most generous standards of judgment, what are these, if not destructive and provocative actions?"

A few words about the role of the patron of RF-Politika and A. Sobyanin's group, Gennadiy Burbulis. His role has become clearly apparent from documents previously published and cited in this article. Let us also recall excerpts from the "analytical" notes, "The Nomenklatura Revanche Behind the Facade of Anti-Nomenklatura Revolution," which was published in NEZAVISIMAYA GAZETA of 22 February 1992, under the "Document" rubric:

"In mid-January (of 1992—ROSSIYSKAYA GAZETA) another meeting was held in the government on questions of information policy (the participants—Gennadiy Burbulis, Mikhail Poltoranin, Aleksey Golovkov...). At the meeting it was agreed to create an information center of the government of the Russian Federation and an administration for the provision of information and analysis to the president of the Russian Federation. The verbal instructions of G. Burbulis: "Let us immediately prepare the documents!"

Of course, it is a complicated matter to keep an eye on the shifts of A. Sobyanin's one group, which acts simultaneously in several roles: Sometimes it is the research group of the RF-Politika Center; sometimes, an expert group of the Presidential Consultative Council and the government of the Russian Federation; sometimes it is an expert group of the parliamentary Reform Coalition.... But the leader is always the same—Alexander Sobyanin. In 1991, at Burbulis' insistence, the group was allocated premises in the House of Soviets of Russia. Sobyanin's residence was next to that of his chief, on Staraya Square (notice his telephone number in the note of Burbulis' office manager, S. Polyakov). Incidentally, it was exactly here that numbered forms of the Central Committee of the CPSU were used.

In general, from the reproduced documents it is clear without any extra words who comprised the "analytical" group and in what it engaged. In our view, the people's deputies should interest themselves in the bookkeeping documents, which would have dotted all the i's once and for all.

Shortcomings of Federation Treaty Viewed

934C05534 Moscow, NEZAVISIMAYA GAZETA
in Russian 24 Nov 92 p. 3

[Article by Yelena Visens: "A Federation Treaty Is Only the Beginning for Building a State: One Cannot Rest on That"]

[Text] This was the refrain heard at the Scholarly Working Conference on "The Federative Treaty and the Inter-National Integration of Russia," held last week jointly by the Soviet of Nationalities of the Russian Federation's Supreme Soviet and the movement for Co-Sponsorship of Peoples in the Name of Life (the

"Senezhskiy Forum"). According to Ramazan Abdulatipov, chairman of the forum (and also Chairman of the Russian Federation's Soviet of Nationalities of the Supreme Soviet), the signing of the Federative treaty in March, a move that Russia made slowly and with great difficulty, has not at all taken off the pressure in international relations. Understanding of the state legal status of Russian republics, autonomous entities, krays and oblasts has changed, but disputes are still going on (for example, what to do with peoples, including Russians, who do not have their own national-territory educational system, or whether a Russian Republic should be established within the framework of the Russian Federation). Problems having to do with defending the rights and interests of small nationality groups and national minorities have become more acute. New conflicts, based on inter-national issues, have erupted. "I am far from being in a state of euphoria after the signing of the Federative Treaty, which is not ending, but rather just beginning the process of forming a federative state. And if today we rest on this accomplishment, we shall in fact erode the entire contents of that document."

The main reasons why the implementation of the Federative Treaty has been slowed down and why there has been no effort to make it operational are due, as Abdulatipov sees it, to certain "omissions." First among them is the lack of legal traditions in a society where laws are not observed either at the top or bottom, but everything is regulated by directives that go from top to bottom (according to Abdulatipov, this is a centuries-old tradition: Under the tsars there were the tsars' edicts, and during the Soviet time—decrees from the CC CPSU). The Federative Treaty is also paralyzed by a lack of laws that would address the issues of this document, first and foremost, laws on joint authority and on the legal situation of national minorities and small nationality groups. There is also an absence of a mechanism to deal with conflict situations between the members of the federation. According to experts, at least 100 new laws are needed in order to regulate problems of the Federation. The lack of traditions to delineate actual authority (relationships in our country are built along primitive lines: I am the chief, you are the fool; or, you are the chief, I am the fool) and an automatic division of power from top to bottom has led to a split of authority into two branches of power. The lack of cooperation between these two branches is, for all purposes, leading to the destruction of state power itself (locally, there are power struggles between the heads of administration and representatives of local Soviets). The absence of power itself, then, gives rise to a desire to possess it. Organizations such as the KGB and the CPSU have fallen out of the overall state power structure. This vacuum has still not been filled, and national organizations are trying to replace these fallen structures with their own. A struggle is going on among them for the space that has been freed, and this struggle is taking on a nationality coloration. Thus, the essence of many conflicts, according to Abdulatipov, is not that two peoples did not divide something or other equitably, but that national Mafia organizations

cannot divide power amongst themselves. "Right now, for example, in Dagestan it is impossible to remove some thieving minister because a national armed detachment will immediately come to his defense," complained Abdulatipov.

And last, normal economic conditions are lacking. Competition among national groups is especially strong in economics. Many relate their social position to belonging to one or another nationality or to their lives as members of some national organization. To be in power today means to take privatization in your own hands and guarantee yourself and your relatives a comfortable life.

It is all these events that lead to inflaming inter-national conflicts that sometimes take on an artificial national coloration, believes the forum chairman. In actuality, the essence of most of these conflicts lies in socio-economic, legislative, cultural, and other crises in which our sick society finds itself. If power is not strengthened and laws cannot be made to function, we shall be threatened with great regional separatism in the very near future.

Chairman of Constitutional Commission on Clash of RF Constitution With Republican Documents

934C050A Moscow ROSSIYSKAYA GAZETA
in Russian 12 Nov 92 p 2

[Article by Oleg Rumyantsev: "In the Name of Conciliation—Do Not Rush!"]

[Text] **Oleg Rumyantsev, member of the Supreme Soviet and executive secretary of the Russian Federation's Constitutional Commission, analyzes the problem of reconciling the Russian Federation's constituent republics' constitutions and the all-Russia Basic Law.**

In December of last year, Russia stood on the verge of ceasing to exist as a federative state. The consequences of the USSR's disintegration were too sad, and the model of our future existence too unclear. Against the background of the crisis, some people were insisting on full and unlimited sovereignty, without realizing the consequences of what would happen in the event that our state were forced to cease to exist. Between December 1991 and March 1992, enormous work has been accomplished in developing the models for the delineation of power between the federal authorities and the powers of the republics, krais, oblasts, and autonomies. This has provided a quantitatively new constitutional and legal situation.

In my opinion, an immediate adoption of new constitutions of the Russian Federation constituent republics is no longer an acutely topical task. The federal Constitution itself provides at the highest level the guarantees of all rights and powers of state formations within the Federation. One can define three consecutive stages in the constitutional reform.

The first and most important is to realize the statutes of the existing Constitution, which was changed in March-April of this year, thereby laying the foundation for a new unity both vertically and horizontally. In accordance with this, a Russian Federation's constituent republic is a subject of four types of relations: international, foreign economic, federative (between the republic and the center), and inter-regional (among the republics, krais, and oblasts).

Will the republics themselves realize all these gigantic powers given to them by the federal Constitution? Not fully, I believe.

The second phase of the reform is the completion and adoption of the Constitution of the Russian Federation. Currently, this work is being moved out from under a barrage of political ambitions. After a lengthy consideration and consultations, the president decided to go back to the Constitutional Commission, thereby removing all misconceptions. The commission's draft, whose basic postulates have been approved first by the Supreme Soviet, and then by the Congress, is currently the only one.

The third phase of constitutional reform is the preparation and the adoption of the republics' constitutions. We are not talking about a return to the former practice of prereform years, when autonomous republics adopted their constitutions following a clear directive from the center, in strict compliance with the USSR and RSFSR Constitutions. We are talking about the preservation of the fragile conciliation we have reached.

There are two key norms around which conciliation has been achieved. Part 2 of Article 76 of the current Russian Federation Constitution stipulates that the republics have their own constitutions, which are in compliance with the Constitution of the Russian Federation and which also take into account the specificities of that particular republic. Article 81-1, taken from the Federation Treaty, stipulates that among the joint responsibilities of the federation and its constituent republics is ensuring the conformity of the constitutions and laws of the Russian Federation constituent republics with the laws of the entire Russian Federation. It is this article of the Federation Treaty that is, in my opinion, the decisive factor that provides an optimistic outlook for the federation's future.

As early as at the draft stage, they need to be coordinated with the federal Constitution—both the current one and the draft of the new one. At the same time, the commission is aware that new constitutions are being speedily pushed through in a number of republics. Bashkiria, Buryatia, Kalmykia, Tataria, Tuva, and Yakutia. Some of them have already done this. For instance, Yakutia and Tatarstan. Despite the fact that a number of provisions are hard to reconcile with the federal Constitution. In this case, Article 6 of the Federation Treaty is applicable, whereby all disagreements are resolved by the

Constitutional Court. We do not have coordination procedures envisaged by the law as yet.

My proposal is to implement the constitutional process in the republics on the basis of coordination. Perhaps it is belatedly, but this issue is being presented to the presidium of the Supreme Soviet. Its decree is supposed to outline a set of measures on cooperation in the area of constitutional development. The commission started to practice trips to the republics, krais, and oblasts; it is also organizing a permanent seminar that will provide a detailed legal analysis of the draft projects.

Directive on Presidential Appointment to European Community Talks

935D0169C Moscow ROSSIYSKIYE VESTI in Russian 2 Dec 92 p 1

[Unsigned: "Appointments by Directives of Russian President Boris Yeltsin"]

[Text] By Directives of the President of Russia, B. Yeltsin, appointed hereby are:

- as head of the government delegation for negotiations with the Commission of the European Community for developing an agreement on partnership and cooperation between the Russian Federation and the European Community, Vitaliy Ivanovich Churkin, deputy minister of foreign affairs of the Russian Federation;

- as director of the Russian Agency for Intellectual Property, Mikhail Aleksandrovich Fedotov.

Our Information: M. Fedotov was born in 1949. He completed law school at Moscow State University. He has a doctorate in law and is a professor. He was one of the authors of the USSR laws "On Print and Mass Media of Information" and "On Public Organizations," the Russian Federation law "On Mass Media of Information," and draft laws "On Archival Work and Archives" and "On Publishing." Until September 1990 he taught at the Moscow Law Institute, and until March 1992 he had the position of Russian Federation Deputy Minister of the Press and Information. He is married and has two children.

- as Chief of the Russian Federation's Federal Directorate for Special Construction, Aleksandr Vasilyevich Tumanov.

Our Information: A. Tumanov was born in 1938 in Saratov Oblast. He completed his studies at the Kazan Engineering and Construction Institute. He has been working in the construction sector for 37 years. He progressed from laborer to chief of one of Russia's largest construction main directorates. He is married and has two children.

Party Leaders Meet With MVD Officials

934C0505C Moscow NEZAVISIMAYA GAZETA in Russian 20 Nov 92 p 1

[Report by Aleksandr Barinov: "On a Visit to the MVD: Party Leaders Asked To Be Issued Personal Arms"]

[Text] On Thursday, 26 November, the leadership of the RF MVD [Russian Federation Ministry of Internal Affairs] hosted a meeting with the leaders of the most prominent Russian political parties and movements. The meeting was held at the initiative of the MVD.

According to the statements from both sides, the results of the meeting exceeded all expectations. The main topic of discussion was how the MVD and the political parties can help one another. In a special press release, the MVD provided the political figures with a selection of materials reflecting the most interesting operations during October. The guests, in turn, said that they were extremely concerned with the rising crime rate and literally showered the militiamen with proposals of assistance—from help in financing to "pushing" new laws through the highest echelons of power. As it turned out, the political leaders' greatest concern is public and personal safety during the congress. Some of them even asked to be issued personal weapons. Representatives of the Communists Union were also very much interested in whether the MVD considered the edicts banning the conducting of rallies illegal and whether the militia will in the future, in particular on 29 November, enforce them. To which they were told gently but categorically that there is no such thing as an illegal edict.

Head of Action Committee for Convening Communist Congress Interviewed

934C0564A Moscow PRAVDA in Russian 15 Dec 92 p 1

[Interview with Valentin Aleksandrovich Kuptsov, chairman of the Action Committee for Convening a Congress of Russian Communists, conducted by Valentina Nikiforova: "Time To Act"; date and place of interview not given]

[Text] The time of action has arrived. Communists, unite! Create action organizing committees. Restore primary party organizations! Let us revive our party through our common efforts. The Action Committee for Convening a Congress has issued such an appeal to the Communists of Russia.

The appeal is more than timely—life itself confirms this. But how can it be carried out? The search for an answer to this question was the topic of our correspondent's conversation with Valentin Aleksandrovich Kuptsov, chairman of the Action Committee.

[Nikiforova] This summer, after the first stage of the constitutional Court, you were confident that the court would abrogate the Yeltsin edicts on terminating the activities and confiscating the property of the CPSU and

Russian Communist Party. Your hopes were not borne out. Only the primary organizations and a substantial portion of the property managed to be defended. Don't you think, Valentin Aleksandrovich, that the CPSU's defenders in the court failed to take advantage of all possibilities and failed to go on the offensive, but assumed more of a defensive posture? And how do you assess the Constitutional Court's decision?

[Kuptsov] We deliberately did not aggravate the situation for several very important reasons, as it seemed to us. First of all, we considered ourselves right, and the president's edicts could not withstand legal criteria—both experts and witnesses stated that. Our attorneys persuasively demonstrated that. Secondly, we put ourselves in the situation of the Constitutional Court and tried to help it become the supreme judicial body that it is supposed to be in a state based on the rule of law. Third, the decision to stop consideration of the petition of O. Rummyantsev and his group concerning the party's unconstitutionality removed the charge that had not only constituted moral pressure on communists and on every decent person, but been a de facto admission of the wrongfulness of combining the two petitions. Wasn't that worth the effort?

But the main result of the Constitutional court is that the RSFSR Communist Party received legal recognition, and the point in the president's edict suspending the activities of primary party organizations was deemed unconstitutional. So, grounds were gained for disputing the right to part of the property in court—that will make it possible to create some sort of material basis for the ongoing work of the party as a whole and of the new organizational structures. Although right now we do not consider that the main thing, and even in the future we will not cling to the part of the property that was acquired with party money if it went for the needs of the people. I am confident that communists will support me in this.

[Nikiforova] On the basis of what principles, in your opinion, will the party's activities be resumed?

[Kuptsov] We are reaffirming not just the continuity of a juristic person but also an ideological continuity—fidelity to the ideas of socialism. We will restore what was best in the CPSU and RSFSR Communist Party. It will be a party that has drawn lessons from the great and tragic history of the Soviet socialist state and the CPSU, and that inherits the best traditions: struggle for social justice and for the human right to work, leisure, housing, free education and medical care, and pensions.

The upcoming congress will be the second congress of the RSFSR Communist Party. But that does not mean that only members of the CPSU and Russian Communist Party will join the party. Let people come who were forced to seek a political niche in the new political parties created as successors to the CPSU. We are also inviting party nonmembers who want to like their destiny with the Communist Party.

[Nikiforova] But under what banners is the Action Committee gathering such diverse people for the congress?

[Kuptsov] Under the banners of creative Marxism-Leninism. But nothing positive should be discarded. The science of society and of the role of political parties in it did not stop with it. There are as many as 10 models of socialism alone. Now we can explain the essence of the distortions and name the reasons for the defeat of the version that was built in the USSR.

[Nikiforova] The situation in the country is critical. How can that circumstance be reflected in the party's destiny?

[Kuptsov] I believe that the situation is prompting the restoration of the party of communists. The mounting crisis in the country is a crisis of pseudo-democracy, which has demonstrated its complete bankruptcy. Many people are convinced that without restoration of the Communist Party, society will not move forward.

[Nikiforova] And where are rank-and-file communists to start restoring the party?

[Kuptsov] We advise them, first and foremost, to sort out the structure of primary organizations.

[Nikiforova] Who will do that? After all, the structures have been forbidden. The staffs were deliberately and specifically targeted for fire, and a strong effort was made to find all party officials to the person guilty.

[Kuptsov] Work will be conducted by action committees and groups—both persistence and patience are needed here. They will, unquestionably, include party activists, the secretaries of primary party organizations, representatives of the new parties, and active members of elective party bodies.

It is important for the action committees that have been established to promptly get an inventory of communists: to talk with everyone and find out whether he desires to restore his membership in the party or, because of some circumstances, will not be able to participate in party work. Moreover, the inventory effort is informative in nature, without any conditions or barriers. The only basis is a communist's desire and the existence of a party membership card or other proof of his belonging to the party. All this is done simply, through an entry in a record book attested to by signatures of a representative of the organizing committee and the communist.

And the communist can be assigned to one of the territorial party organizations, or placed in a regional association of communists. The registration carried out by the organizing committee to prepare for the 29th CPSU Congress remains valid.

After that it is necessary to hold meetings of communists—to elect party bureaus, party committees and delegates to a rayon or city conference, and to create new structures there.

Incidentally, party organizations may be established on not only a territorial basis but also an occupational basis. In the capital's Moskvoretskiy Rayon, for example, a party organization of public education employees has been established.

The action Committee has a wish: that this work be done in December and early January. The norm for representation at the congress, which is planned to be held in Moscow no later than February, will depend on it.

[Nikiforova] And what about dues? Some communists have paid them to the fund for the support of PRAVDA, GLASNOST, SOVETSKAYA ROSSIYA and the In Defense of Communists' Rights Association. Some were unable to do that and, judging from telephone calls to the editors, feel uncomfortable.

[Kuptsov] We would like to approach this leniently, too. A decision on the payment of dues is made by the primary organization itself. It may leave them at the disposal of the action group. But everything that has been paid to the newspaper support fund is, unquestionably, being counted. Maybe even subscriptions to those newspapers. But the communists themselves should decide that. Just as they should decide the most intelligent way to spend the collected money to help the party's revival.

[Nikiforova] Valentin Aleksandrovich, how do you intend to develop relations with the organizing committee for preparing for the 29th CPSU Congress?

[Kuptsov] We believe that the restoration of a unified party should proceed in two stages: in accordance with the laws, republic organizations would be established and then, given positive decisions by their congresses, unification would take place. What that will be—a Union of Communists, a Comintern—time will tell. But for now, we are trying, together with the organizing committee (it has managed to do a great deal), to create cohesiveness among communists. For us the main thing right now is to restore the Russian Communist Party. Organizations have already been formally established or are being formally established in Tver, Arzamas-16 and Stavropol.

[Nikiforova] But besides organizational work, what tasks will the party address in the near future?

[Kuptsov] Of course, we will attempt to strengthen the power of the soviets and the power of working people. That is the purpose of work with deputies, the establishment of groups and factions in the soviets, and preparation for elections—only registered parties will acquire the right to participate in them. Incidentally, during the Seventh Congress of People's Deputies, the Communists of Russia faction doubled in size.

Drafting our own proposals for structuring life and submitting them to the soviets. A draft proposal for people's privatization that defends the right of a labor collective to hold a controlling package of shares, to hire

management, and to dispose not only of the means of production but of the results of labor has been lying in the Supreme Soviet for several months now. But since the communists do not hold the majority in parliament, it is not easy to move the proposal along.

People in the countryside have, for all intents and purposes, been left without assistance and protection: the kolkhozes, sovkhozes and individual farmers are struggling for survival alone. At present it is hard for the Action Committee to encompass the whole cluster of problems—we have just barely started to work. I can say one thing: we have tackled the job in earnest and will act aggressively.

[Nikiforova] Tell us, please, about the Action Committee—we have gotten a lot of phone calls with that request.

[Kuptsov] There are so far 60 people on it, including 15 people's deputies and 15 members of the Central Committee who together protested the president's edicts in the Constitutional Court. There are representatives of the Union of Communists, the Socialist Party of the Working People, the Russian Party of Communists and associations of communists of Leningrad, Moscow, Tver and Volgograd oblasts, Krasnodar Kray, Chuvashia, Mordvinia, North Ossetia, Mari El and others. But the committee is open. As organizing committees and action groups are established, their representatives will join it in order to prepare for the congress together.

Within the Action Committee, a presidium and four commissions have been chosen: a commission for preparing drafts of the by-laws, a commission for drafting the program statement, an organizational and technical commission, and a propaganda and information commission.

Contact telephone numbers: 203-57-52; 203-77-52; 205-56-24 and 205-59-41. Call us and start acting!

Russian CP First Secretary Interviewed

934C05634 Moscow ROSSIYSKAYA GAZETA
in Russian 8 Dec 92 p 2

[Interview with Ivan Kuzmich Polozkov, first secretary of the Russian Communist Party, conducted in Moscow by Aleksey Vorobyev: "Ivan Kuzmich Is Not Depressed"; date of interview not given]

[Text] In these congress days in the Great Kremlin Palace one rarely encounters people with calm, tranquil expressions. Nonetheless, such faces do turn up.

Here is one old acquaintance: Ivan Kuzmich Polozkov.

[Vorobyev] At the First Congress of Russian People's Deputies you vied with B. Yeltsin for the office of chairman of the Supreme Soviet. Are you glad of your defeat today, or do you regret it?

[Polozkov] And who told you I lost? An analysis of the views of deputies at the time showed that I had a solid advantage and probably could win. If Gorbachev had not made me withdraw my candidacy, all but twisting my arm in a Politburo meeting, the victory would have been ours. And today we would be living in a different country.

And how did people among us in Russia regard the so-called nomenklatura—the most active part of the population? That is the stratum—enterprise directors and practicing economic managers—from which we are prepared today to propose 20 to 30 excellent candidates for the office of prime ministers. After all, at present there are mostly junior scientific associates in the government. Even V. Shumeyko, a first-rate specialist, worked as director for only a month. What can these people know about managing the economy of a whole country?

[Vorobyev] But the former nomenklatura was desperately corrupt.

[Polozkov] Let's be honest: there turned out to be many scoundrels and criminals in the Communist Party, but where aren't there any? Yet those party scoundrels were far less malicious criminals than today's scoundrels who have taken their offices under the flag of democracy.

If high-ranking civil servants declare that speculation and corruption are elements of the development of a market, the lot of the honest ordinary citizen will be existence in poverty. And when it is sought to end up there in a single jump (in 100 or 500 days), you get precisely what we have today. Once at a Central Committee plenum I warned: if prices are freed up, they will rise 35-fold. Gorbachev harshly rebuked me: "What do you mean frightening the people!" Indeed, I was mistaken then: prices have risen 120-fold, and another 50 percent just during these congress days. And that is a crime against one's own people.

[Vorobyev] In parting, Ivan Kuzmich, first secretary of the Russian Communist Party, promised that his party would be revived and registered in the near future.

'Working Russia' Demonstration Demands Protection for Workers

934C0563B Moscow SOVETSKAYA ROSSIYA
in Russian 15 Dec 92 p 2

[Article by N. Stepanova: "Defend the People's Interests"]

[Text] Moscow—On Saturday several thousand supporters of Working Russia gathered for a picket rally at the entrance to the Rossiya Hotel, where participants in the Seventh Congress of Russian Federation People's Deputies are staying these days.

Speeches by V. Anpilov, A. Sergeyev and other speakers presented the demand that the interests of the working

people be defended, that the antipopular Gaydar government resign, and that the fratricidal wars in the country cease.

Constitutional Court Decree on CPSU Case

935D0170A Moscow ROSSIYSKAYA GAZETA
in Russian 16 Dec 92 p 6

["Decree of the Constitutional Court of the Russian Federation on the Case on Testing the Constitutionality of the Edicts of the President of the Russian Federation of 23 August 1991, 'On Halting the Activity of the Communist Party of the RSFSR,' of 25 August 1991, 'On the Property of the CPSU and the Communist Party of the RSFSR,' and 6 November 1991, 'On the Activity of the CPSU and the RSFSR CP,' and also 'On Testing the Constitutionality of the CPSU and the RSFSR CP'"]

[Text] The Constitutional Court of the Russian Federation, V.D. Zorkin, chairman; N.V. Vitruk, deputy chairman; Yu.D. Rudkin, secretary; and Judges E.M. Ametistiv, N.T. Vedernikov, G.A. Gadzhiev, A.L. Kononov, V.O. Luchin, T.G. Morshchakova, V.I. Oley-nik, N.V. Seleznev, O.I. Tmunov and B.S. Ebayev,

having examined in open session the case of testing the constitutionality of the Edicts of the President of the Russian Federation of 23 August 1991, No 79, "On Halting the Activity of the Communist Party of the RSFSR;" of 25 August 1991, No 90, "On the Property of the CPSU and the Communist Party of the RSFSR;" and of 6 November 1991, No 169, "On the Activity of the CPSU and the RSFSR CP," as well as testing the constitutionality of the CPSU and the RSFSR CP;

guided by Article 165¹ of the Constitution of the Russian Federation; by part four of Article 1; Article 32; parts four and eight of Article 41; by point 3, part one, of Article 57; and by articles 58, 59, 64 and 65 of the Law on the Constitutional Court of the Russian Federation, have decreed:

1. On the question of testing the constitutionality of the Edict of the President of the Russian Federation of 23 August 1991, No. 79, "On Halting the Activity of the Communist Party of the RSFSR."

1. Acknowledges that the instruction in point 1 of the Edict of the President of the Russian Federation to the Ministry of Internal Affairs on conducting an investigation is not in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, and its Article 121³, in connection with the fact that this instruction violates the rules of investigation established by law.

2. Acknowledges that point 2 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4; Point 5 of Article 72; part one of Article 121¹, and paragraph one of point 11, Article 121⁴.

3. Acknowledges that point 3 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4, point 5 of Article 82, part one of Article 121¹, Article 121⁴, point 6 and paragraph one of point 11, Article 121⁵, Article 122, points 3 and 4 of part two of Article 125, and parts one and two of Article 129.

4. Acknowledges that point 4 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4, point 5 of Article 72, part one of Article 121¹, Article 121⁴, and paragraph one of point 11, Article 121⁵.

5. Acknowledges that the instructions of the President of the Russian Federation to the Prosecutor contained in points 1 and 5 of the Edict do not have legal significance since the corresponding obligation of the prosecutor flows directly from Article 176 and 177 of the Constitution of the Russian Federation.

6. Acknowledges that point 6 of the Edict does not correspond with the general principle of law in accordance with which a law [zakon] and any normative act which envisages limiting the rights of citizens shall go into effect only after its publication in accordance with official procedure.

II. On the question of testing the constitutionality of the Edict of the President of the Russian Federation of 25 August 1991, No. 90, "On the Property of the CPSU" and the Communist Party of the RSFSR"

1. Acknowledges that point 1 of the Edict is in accord with the Constitution of the Russian Federation in the version of 24 May 1991, its Articles 10 and 11¹, part one of Article 121¹, point 6 of Article 121⁵, Article 122, and point 3 of part two of Article 125, with respect to that portion of the property the owner of which was the state, but which at the moment of issuance of the Edict was actually in the possession, use and at the disposal of the organs and organizations of the CPSU and the CP RSFSR.

Acknowledges that point 1 of the Edict is not in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4, parts one and two of Article 10, part two of Article 49, point 6 of part one of Article 109, Articles 121⁵ and 121⁶, with respect to that part of the property, the owner of which is the CPSU, as well as that part of the property which at the moment of issuance of the Edict was actually in the possession, use and at the disposal of the organs and organizations of the CPSU and the CP RSFSR, but whose owner was not determined.

2. Acknowledges that point 2 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4, parts one and two of Article 10, part one of Article 121¹, Article 121⁴, point 6 of Article 121⁵, and point 3 of part two of Article 125.

3. Acknowledges that points 3 and 4 of the Edict are in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Articles 4 and 11¹, part one of Article 121¹, point 6 of Article 121⁵, and points 1, 2 and 3 of part two, Article 125, with respect to that portion of the property whose owner was the state, but which at the moment of the issuance of the Edict was actually in the possession, use and at the disposal of the organs and organizations of the CPSU and the CP RSFSR.

Acknowledges points 3 and 4 of the Edict with respect to the remaining property is not in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Article 4, parts one and two of Article 10, part two of Article 49, and Articles 121¹ and 121⁴, in that part in which the transfer of the right of use of the given property is unjustifiably connected in the Edict with the legal power of the state to the use of this property in the capacity of owner.

4. Acknowledges that points 5 and 6 of the Edict are in accordance with the Constitution of the Russian Federation in the version of 24 May 1991, its Articles 4, 9 and 10, part four of Article 11¹, part one of Article 121¹ and Article 121⁴, point 6 and paragraph one of point 11, Article 121⁵, Articles 121⁴ and 122, and points 1, 2 and 3, part two, of Article 125.

5. Acknowledges that point 7 of the Edict is not in accordance with the general principle of law in accordance with which a law and other normative acts which envisage limiting the rights of the citizens goes into effect only after its publication in accordance with official procedure.

6. Proposes that the President of the Russian Federation in execution of point 5 of the Edict ensures the public is given exhaustive information about the decisions taken with respect to the property of the CPSU and CP RSFSR and on the actual use of this property.

III. On the question on testing the constitutionality of the Edict of the President of the Russian Federation of 6 November 1991, No. 169, "On the Activity of the CPSU and CP RSFSR"

1. Acknowledges that point 1 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, its Article 121⁴ and paragraph one of point 11, Article 121⁵, with respect to the dispersal on the territory of the Russian Federation of the leading organizational structures of the CPSU, as well as the CP RSFSR to the extent that it was a component part of the CPSU.

Acknowledges that the provision of point 1 of the Edict on dispersal of the organizational structures of the CPSU and CP RSFSR are not in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, and its Article 49, with respect to the primary organizations of the CP RSFSR, formed on the territorial principle, insofar as these organizations

retained their social nature and were not changed into state structures, and also under the conditions that in the event of their official organization as a political party on an equal basis with other parties, the requirements of the Constitution and laws of the Russian Federation shall be observed.

2. Acknowledges that point 2 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, and its Articles 37, 55, 121⁴ and 172.

3. Acknowledges that point 3 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, its Articles 10 and 11¹, part one of Article 121¹, Article 121⁴, point 6 of Article 121⁶, Article 122, and point 3 of part two of Article 125 with respect to that portion of the property whose owner was the state, but which at the moment of issuance of the Edict was actually in the possession, use and at the disposal of the organs and organizations of the CPSU and CP RSFSR.

Acknowledges that point 3 of the Edict is not in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, its Article 4, parts one and two of Article 10, part two of Article 49, point 6 of part one of Article 109, and Articles 121⁵ and 121⁶, with respect to that portion of the property whose owner was the CPSU, and also to that part of the property which at the moment of issuance of the Edict was actually in the possession, use and at the disposal of the organs and organizations of the CPSU and CP RSFSR, but whose owner was not determined.

4. Acknowledges that point 4 of the Edict is in accordance with the Constitution of the Russian Federation in the version of 1 November 1991, its part two of Article 4, part one of Article 121¹, Article 121⁴, points 6 and 16 of Article 121⁵, Articles 121⁶ and 122; points 1, 2, 3 and 4 of part two, Article 125; part two of Article 132¹, Article 134; and part one of Article 145, with respect to the execution of the provisions of the Edict, the constitutionality of which was acknowledged by the present Decree

IV. On the question of testing the constitutionality of the CPSU and CP RSFSR.

In connection with the fact that in August-September 1991 the CPSU had actually collapsed and had lost the status of a nationwide organization, the dispersal of the leading organizational structures of the CPSU and CP RSFSR as an integral part is acknowledged by the present Decree in accordance with the Constitution of the Russian Federation, and that the CP RSFSR was not organizationally formed as an independent political party, according to guidance of Article 165¹ of the Constitution of the Russian Federation, part five of Article 44, and parts one and two of Article 62 of the Law on the Constitutional Court of the Russian Federation, the case petitioning for testing the constitutionality of the CPSU and the CP RSFSR is closed

V.

1. On the basis of article 49 and 50 of the Law on the Constitutional Court of the Russian Federation, the present Decree shall go into effect immediately after its proclamation, and shall be final and not subject to appeal.

2. In accordance with Articles 4, 10 and 163 of the Constitution of the Russian Federation and also part four of Article 1 and parts 2 and 5 of Article 65 of the Law on the Constitutional Court of the Russian Federation, disputes on the legal relationships which proceed from the right of ownership of property, the owner of which is not the state and which at the moment of issuance of the Edicts was actually in the possession, use and at the disposal of organs and organizations of the CPSU and CP RSFSR, may be resolved on general principles in accordance with legal procedure.

3. In accordance with Article 34 of the Law on the Constitutional Court of the Russian Federation, the present Decree shall be subject to publication in the "News of the Congress of People's Deputies of the Russian Federation and the Supreme Soviet of the Russian Federation," in ROSSIYSKAYA GAZETA, and also in all the press organs which published Edicts of the President of the Russian Federation of 23 August 1991, No 79, "On Halting the Activity of the Communist Party of the RSFSR," of 25 August 1991, No 90, "On the Property of the CPSU and the Communist Party of the RSFSR," and of 6 November 1991, No 169, "On the Activity of the CPSU and CP RSFSR," not later than seven days after its promulgation.

30 November 1992, Moscow

Chairman Constitutional Court of the Russian Federation
V.D. ZORKIN

Secretary Constitutional Court of the Russian Federation
YU.D. RUDKIN

No 9-P

Officials Comment on Jury Trials

934C0553B Moscow IZVESTIYA in Russian 27 Nov 92
Morning Edition p 3

[Article by Valeriy Rudnev, IZVESTIYA: "Trial by Jury Is Returning to Russia"]

[Text] Trial by jury, introduced into the Russian court system by the legal reform of 1864 and subsequently abolished after the 1917 October Revolution, will soon once again return to Russia. The basis and procedures for including this court institution into the present system of criminal justice were presented at a press conference held by Boris Panferov, Russian Federation Deputy Minister of Justice, and Sergey Pashin, department chief of the State Legal Directorate in the administrative organization of the President.

The idea of trial by jury has already been made a part of the Russian Constitution, and the concept of judicial

reform has been approved by the Supreme Soviet of the Russian Federation (RF). By order of Boris Yeltsin, conditions have been worked out for implementing this kind of trial—new to Soviet criminal justice—in 1993.

"The main thing here is to do it gradually and slowly," believes Sergey Tropin, an expert at the State Legal Directorate and candidate of legal sciences, "so that first, theoretical errors and miscalculations can be avoided, and second, in case of necessity, the existing situation can be quickly corrected."

Thus, jury trials will begin at first in certain regions of Russia (probably five—Ivanovskiy, Ryazan, Moscow, and Saratov Oblasts, and Stavropolskiy Kray) and have the same status as the existing procedures for hearing criminal cases. After this, jury trials will be introduced gradually in other places, with necessary legislative amendments having been made. This type of trial is used worldwide and, incidentally, trials by jury had spread by a similar gradual process throughout Russia from Moscow and St. Petersburg to the periphery of the country.

Just the first stage alone of implementing trials by jury will necessitate around 200 new judgeships, and together with other material expenses (paying for jury duty, renovation of courtrooms, and installation of modern equipment), it will cost taxpayers a total of one billion 427 million rubles.

Now, a few words about the essence of the proposed changes in legal procedures. Examination of legal procedures in district (or municipal) people's courts will be done in three forms. The structure that is familiar to us, consisting of one judge and two people's assessors, individual judges, and trials by jury, consisting of one judge and twelve jurors under oath. There will be similar procedures for hearing criminal cases in courts of the first instance and in higher—oblast (or kray)—courts. The only difference in those courts will be that three judges will hear cases instead of a single judge. In addition, three judges will also work with the 12 jurors. The Russian Supreme Court will not have any jurors in its makeup. The defendant himself may decide which type of court should decide his fate (judges, assessors, or jurors). If he turns down the judges or trial by jury, he will have the usual "Soviet" type—a judge and two assessors. If the accused selects either a jury trial or a judge, no one can challenge his selection.

The decision of a jury trial will consist of a verdict by the jurors (guilty or not guilty) and a sentence by the judge (or judges), consisting of the punishment or damage payments (obviously, only in the case of a guilty verdict). A verdict of "not guilty" cannot be appealed or protested, except in cases where a violation occurred in reaching that verdict. (For example, instead of 12 jurors deciding the case, there were only 10. Or, if the secrecy of the jurors' consultation room was violated.)

A guilty verdict and a judge's sentence may be appealed (or protested) in its entirety, or separately, to a court of

appeal of an oblast (or kray) court, but only on formal grounds (in contrast to established procedures for reviewing cases).

It is proposed that an individual decision of a judge (or judges) be appealed to a higher court where the essence of a case may be reexamined.

With regard to composition of juries, fulfilling these responsibilities will be all citizens of Russia who are at least 25 years of age, who have not been convicted, and who are sound of mind. Those not fulfilling responsibilities of jurors will most likely include employees of law and order organizations and representatives of legislative and executive government organizations. Each district will compile its own list of jurors. From this list, 30-40 persons will be selected by lot for a specific criminal case. Of these, twelve jurors who will actually hear the case will be selected by the parties to the case.

At any rate, these are just plans thus far. Legislators will decide the form that trials by jury will now have in Russia. The relevant "package" of draft laws on alternative judicial proceedings is supposed to be given to the deputies in January 1993.

Report on Completion of Coup Investigation

9340 0502B Moscow IZVESTIYA in Russian 8 Dec 92
Morning Edition p. 8

[Article by IZVESTIYA correspondent Valeriy Rudnev, "The GKChP Case: The Bill of Indictment Has Been Drawn Up"]

[Text] On 7 December, 140 volumes of the criminal case charging nine top officials of the former USSR—A. Lukyanov, G. Yanayev, V. Pavlov, D. Yazov, V. Kryuchkov, V. Varennikov, Yu. Plekhanov, V. Generalov, and O. Baklanov—and two once major social activists—V. Starodubstev and A. Tizyakov—with betrayal of the Motherland (Article 64 of the Criminal Code of Russia), with five volumes of the bill of indictment, will be handed over to Procurator General of the Russian Federation Valentin Stepankov.

This was reported back on 4 December on the televised "Novosti" on Ostankino's Channel One, by the deputy head of the investigative team, Alexander Erolov. And as a convincing visual aid, he indicated the neatly filed volumes of documents and the prepared bill of indictment, in its red binding. And on 8 December V. Stepankov's report to the Congress of People's Deputies is planned. Thus, the lawyers' speculation that the termination date of the investigation into the case of the GKChP [State Committee for the State of Emergency] was prompted by political motives (IZVESTIYA, No. 244), it seems, finds confirmation.

However, even on Monday morning, there was nothing clear about the position of Gennadiy Yanayev and his lawyer, Abdullah Khamzayev—at least, at that moment, the investigation did not have at its disposal their written

notification on possible additions to the case. And without the clearly expressed opinion of the accused and the defense, a bill of indictment cannot be signed, and the case cannot be handed over to the procurator general in such a state.

Thus it is, in turmoil and in haste, that the 14-month work of the special investigative team of the procurator general of Russia is ending. The investigation is ending of perhaps the loudest and most complicated criminal case in all the history of Soviet legal procedure, a case which experienced investigators were never able to (did not want to?) bring out of the dead ends of "socialist legality."

Let us recall the attempt by the investigation to limit the rights of the accused—special entry permits are demanded for the lawyers, confirming their loyalty to the special organs. With all its might, the Procuracy General opposed judicial control over the arrest. The scandalous sale of secrets of the investigation to German journalists (by the way, the criminal case of the leaking of information to SPIEGEL-TV was suspended and "buried" in a safe at the Procuracy General)... The unprecedented publication of materials of the investigation in the book by V. Stepankov and Ye. Lisov, "Kremlin Plot: The Investigation's Story," which annulled the presumption of innocence of the accused in the GKChP case.

The investigation is winding up, an investigation during which, for example, the accused A. Lukyanov never gave a single deposition, and V. Pavlov and his defense attorney A. Galogonov were not able thoroughly to acquaint themselves with all the materials of the criminal case.

Alas, one gets the impression that the opinion of the defense and the accused is not so important for the investigation. The truth... is in the bill of indictment of the procuracy. And according to the report of Yevgeny Lisov, head of the investigative team, the essence of the indictment, definitively formulated by the investigation, comes down to the following points.

In August 1991 a group of persons, occupying high government posts and not sharing the position of the president of the USSR on questions of the conducting of political and economic reforms, decided to frustrate the signing of the Union treaty, to introduce a state of emergency in the country, and by force to achieve change in government policy. On 5 August 1991, on the day after the departure of USSR President M. Gorbachev to his vacation in the Crimea, the organizers of the plot, meeting at the ABTs [expansion not given] secret establishment of the USSR KGB, began preparations for the seizure of power.

From 6 August to 16 August, on their instructions, an analysis was conducted on the situation in the country, immediate measures were planned, which were to be realized under the state of emergency. And in the KGB, draft documents of the USSR GKChP were prepared,

and concrete operations were worked out using the possibilities, forces, and means of the special organs, in particular monitoring and cutting off the communications of the leadership of Russia, organizing external surveillance of and detaining people's deputies and democratically inclined community leaders (up to 70 persons), and disconnecting communication and isolating the president of the USSR.

As established by the investigation, Gorbachev refused to fulfill the demands of the plotters, after which he was left in isolation, and the authority of the president fell to Yanayev. The edict already signed by him contained the deliberate lie that Gorbachev, for reasons of ill health, was not able to carry out the functions of head of state. The participants in the plot made up the USSR GKChP which announced the transfer to it of absolute power. Thus, on the night of 18-19 August 1991, as the result of the conspiracy of a group of persons occupying high government posts, the president of the USSR was forcibly removed, and power in the country was seized by an anticonstitutional organ—the USSR GKChP.

On the morning of 19 August 1991, in violation of the Constitution of the USSR, troops were brought into Moscow, a state of emergency was declared, and then a curfew as well. The plotters used the seized powers to ban the publication of most newspapers, and they limited the number of television and radio programs, most especially the Russian ones, and attempted to create local structures similar to the GKChP. The Ministry of Defense, the KGB, and the USSR Ministry of Internal Affairs organized an urgent operation to seize the building of the Supreme Soviet of Russia and to arrest the Russian leadership and President Boris Yeltsin. Several people's deputies were detained. As a result of the illegal deployment of military subunits in Moscow, and of the natural opposition of citizens, D. Komar, I. Krichevskiy, and V. Uslov were killed.

"All of these actions make up the basis for our suggested qualification of the charge according to Article 64 of the Criminal Code," Ye. Lisov concluded his information. "Now we are handing the case over to the procurator general to decide the question of its confirmation of the bill of indictment."

By law, the procuracy has three types of decisions: to acknowledge as valid the conclusions of the investigation and to send the case to trial (in this case, the Supreme Court of Russia, where there is a Military Collegium); to doubt the conclusions of the investigation and to halt the criminal case and immediately to release all of the accused from custody, and finally, to perceive in the work of the investigators a violation of the rules of criminal process or insufficient investigation, and consequently to turn the case back for a continuation of the investigation and a rectification of mistakes. For this, the procuracy has five days.

But V. Stepankov will most likely make the decision in a matter of a few hours taken out of his hectic schedule of

work at the deputies' congress. First of all, he does not need to study the case—he, as de facto head of the investigation, is perfectly well acquainted with the character of the charge brought and with the quality of the gathered evidence of the case. Second, all of the principal questions of the investigation have long been cleared with him. Finally, there is yet one more reason, which, it seems to me, will force him to hurry with his decision. Any day now, V. Stepankov will speak before the congress with a report on his activity. Many questions are expected to be addressed to him, including those concerning the G.K.ChP case. The decision taken by him on the eve of his report, evidently, will serve as a forestalling answer. However, one does not have to guess at the probable decision of the Procuracy General—it will, of course, confirm the bill of indictment and send the G.K.ChP case to the Supreme Court of Russia. In doing so, it will be keeping the promise which it had made to the public, long before the end of the preliminary investigation.

[Broydo:]

We may suppose, moreover, that on 18 December the Procuracy General will decide, as it had promised, the question of the changing of the preventive punishment of several of the accused. True, members of the investigative team are convinced that if V. Stepankov releases anyone from custody, it will only be by reason of ill health, on the basis of doctors' findings. In such a case, judging from everything, Anatoliy Lukyanov, Yuriy P. Khanov, Vyacheslav Generalov, and Alexander Lizyakov have a chance of finding themselves at liberty before the trial. All of them now are in the Ministry of Internal Affairs hospital. The medical condition of each of them is not the same severity. But unofficial information from the investigative team has it that only two will be released from custody. Which two?

As for the other accused persons in the G.K.ChP case—V. Boldin, V. Grushko, and O. Shenin—released from custody earlier on grounds of health, materials relating to them have been set aside for separate processing and drafted; the doctors have thus far not permitted investigation to be conducted with them.

Official Comments on Prison System Reform

Editorial: "In St. Petersburg, NITSKOYE UREMYE" ("Russia," 28 November 1992).

[Telephone interview with Major General Yuriy Kalinin, head of the Main Administration of Implementation of Punishments of the Ministry of Internal Affairs of Russia, by Anna Broydo, in Moscow, date not given. ("The Crosses" Are a Powder Keg.)]

[Broydo:] He told Yuriy Ivanovich, to what extent does your administration differ from the GULAG of all prisoners?

[Kalinin:] In our system there are still not a few conservative—very orthodox. And after the new law was passed, introducing substantial changes in the penal code, one frequently hears these people say, "They have taken the

control levers over the convicts away from us." A human incentive for law-abiding behavior is very difficult for many of them to grasp. They prefer prohibitive measures. But we should distance ourselves from such practice. Incidentally, this year 2,400 persons have been dismissed from the corrections system for abuses or arbitrariness, and 44 criminal cases have been instigated.

[Broydo:] Do you share the viewpoint that a lengthy period of incarceration makes a person's return to normal life practically impossible?

[Kalinin:] One cannot take the same approach with everyone. I personally would favor shorter sentences. Ten to 15 years of incarceration—that is really like death in installments. There is, however, a category of persons who consciously devote their lives to criminal acts. For that type of person, it really is necessary to create conditions of strict isolation, which is what we try to do.

[Broydo:] It is no secret to anyone that today's criminals are distinguished by their insolence and their cruelty. However, their guards are to this day conscripted soldiers of the Internal Troops, boys of 18 or 20.

[Kalinin:] Now a warrant officer in a tower "is worth" about 30 soldiers. But in order to switch over to a professional guard, it is necessary to find replacements for 76,000 soldiers. And that reality, unfortunately, is one from which there is no escaping at the moment.

[Broydo:] Since the very beginning of perestroika, rumors have arisen periodically in certain circles about new, constructed zones in Kolyma which are waiting for their "contingent." Is this true?

[Kalinin:] I would be glad to tell you that we were building new prisons. And this is not because we want to imprison more people, but because the upkeep conditions in the prisons and isolation wards that are functioning today are hardly pleasant, to put it mildly. As for Kolyma, we have no intention at all of building anything there. What we should do is to improve the conditions in Moscow, St. Petersburg, Samara, Stavropol, in the places where overcrowding at times reaches one and a half to two times the norm. For example, at "The Crosses," more than 7,000 people were kept for a long time in a space meant for 3,000.

[Broydo:] What actions are being undertaken to rectify the situation?

[Kalinin:] At one time, at a session of the city soviet, a decision was taken on a development program for the correctional system. Now, based on them, we have reduced the crowding to a certain extent at "The Crosses," that powder keg in the center of the city. And we hope that activity will be continued. After all, all of our workers have felt the consequences of the overcrowding. The number of those being kept in the isolation wards has increased, but the size of the staff has remained the same. Their load exceeds by a factor of two the acceptable limit. Meanwhile, our workers in St.

Petersburg and the oblast were among the initiators in the development of new legal norms. They were the first, for example, to release 122 prisoners on home furlough, and that experiment was successful.

Gangster Summit Broken Up by Security Forces

934C0545A Moscow NEZAVISIMAYA GAZETA
in Russian 3 Dec p 1

[Article by Pavel Koltsov: "Militia Detains Congress Delegates"]

[Text] The thieves' authorities were not given a chance to discuss the situation in the country.

The day that Russia's Seventh Congress of People's Deputies opened was marked by still another but less important event that occurred in Moscow.

In the evening, about 20 kilometers from the Kremlin Palace of Congresses, in the foreign-currency restaurant of the hotel Rus-otel (the former Solnechnyy Hotel), selected members of Moscow's and Russia's criminal world gathered at their own, alternative, congress. It also coincided with the anniversary of one of the capital's prominent legal thieves. By 1900 hours in the evening the arriving delegates had taken up almost all the space around the hotel with their Mercedes cars, BMW's, Buicks, and other fine limousines. Radio-equipped cars with armed guards met them at the congress.

It is worth noting that the person whose anniversary was being celebrated and who was the organizer of the congress managed to gather an extremely solid complement. In a cozy room at the Nochnoy restaurant the whole brotherhood (except for two or three) of the capital's and suburbs' crime world—six "legal thieves" and more than 20 leaders of thieving groups—gathered in the comfortable Nochnoy restaurant hall. Their colleagues from Kazan, Tyumen, Ryazan, Lithuania, Abkhazia, Azerbaijan, Uzbekistan, and a number of cities of the Russian heartland were present as voting delegates.

According to unofficial data, several matters were on the agenda: the clarification and partial redistribution of spheres of influence in Moscow, and coordination of the details of a pre-New Year's affair with scarce foods and drinks. However, at about 2200 hours in the evening the warm, amicable atmosphere (a detail: the people at the meeting were given a tray of narcotics) was broken by an invasion of detectives of the MUR [Moscow's Criminal Investigation Division], the MB RF [Russian Federation Ministry of Security], the Moscow Oblast Criminal Investigation Department, and soldiers of the OMON [Special Purpose Militia Detachments] and spetsnaz [Special Forces].

As a result of this unprecedented Moscow-scale operation—it had been prepared several hours previously, and more than 150 people participated in it—all the participants and the protector of the Congress, 66 people in all,

were detained. Several delegates were detained on suspicion of committing grave crimes, particularly murders and organizing an exchange of gunfire. Moreover, narcotics, grenades, and knives were seized from several persons.

Criminal Gang Proliferates Home-Grown Weapons

934C0545B Moscow MOSKOVSKIYE NOVOSTI
in Russian No 48, 29 Nov 92 p 3

[Article by Dmitry Pushkar: "Deadly Rubbish"]

[Text] Forty-seven men were involved in the business of illegally manufacture and marketing firearms in Yaroslavl.

The story began last year when Yaroslavl's Mashpribor plant received an order for the manufacture of a batch of flare guns. The plant's skilled workers from the precision-mechanics shop quickly caught on that with a minimum of adaptation a flare gun could be made into a pistol. The rubbish is that a pistol shooter will have difficulty hitting the target, even from 10 paces away. But at a shorter distances the shot will be accurate. Originally the homemade shooting devices, as these weapons are called in criminal-affairs documents, were sold for a bottle of vodka. Then for two. The price also rose along with inflation. In the most recent transaction known to the militia, according to the data of the Section for the Fight Against Organized Crime of the Yaroslavl UVD [Administration of Internal Affairs], the pistolette was sold for 750 rubles [R]. The individual initiative was quickly transformed from an exchange of pistols for vodka, and the manufacture and marketing of the weapons in large lots, in which the factory marketing section turned out to be involved, began. It is well known that hundreds of gun barrels have gone south, and, generally speaking, the geography of their sales is unusually wide: Yaroslavl pistolettes have come to light in South-Sakhalin, Shakhtakh, and Udmurtia. A Yaroslavl cooperator was killed by such a device, and such a pistol was observed on a young man at dances. Last year in Yaroslavl unaimed shots from a 5.6-caliber weapon about the windows of a cooperator were reported, the experts finding it difficult to determine what exactly had been fired. A reserve of stolen components for flare pistols, gun barrels, and cartridges that the militia seized on the plant's property indicates that the business had been expanded and the design had been improved. Yaroslavl's guardians of order simply were glad that the plant did not have orders to produce howitzers.

400 Crimes Committed Against Foreigners in Vladivostok This Year

934C0545C Moscow ROSSIYSKIYE VESTI in Russian
12 Dec 92 p 4

[Article by Lidiya Smirnova (Vladivostok): "400 Crimes Against Foreigners"]

[Text] The opening up of Vladivostok brought in not only an expansion of international communications. Unfortunately, there was another side of the coin to this event. Foreign guests most frequently of all are the targets of the criminals's priority "attention," a fact that heightens the already complex criminal situation.

What attracted the criminals? Most often of all, they are making violent attacks on hotels, where the guests, forgetting to be careful, make themselves at home. They rob joint enterprises and poorly guarded storage facilities. As the press service of the kray's UVD [Administration for Internal Affairs] has reported, the warehouse of the trading company Khuan-Bey was robbed recently. The robbers stole 131 fur coats, 78 men's quilted jackets, 175 pairs of sneakers, and other commodities worth a total of 8 million rubles [R].

A lack of elementary concern helped in one crime. The robbers found out that the director of a joint Soviet-Vietnamese enterprise kept 3.6 million rubles and US\$6,000 at home. And they did not let the opportunity slip by one night to abduct the capital.

There was also an attempt, striking in its audacity, to extort foreign currency from staff workers of the recently opened U.S. Consulate General, which personnel of the Administration of the Ministry of Security and the Vladivostok militia nipped in the bud. There have also been cases of more serious crimes. This year two foreign citizens received serious bodily injury and four were

killed (all the killers were found). And altogether about 400 crimes have been committed against foreign guests.

Customs Officials Unable To Control Flow of Weapons, Narcotics

934C0545D Moscow ROSSIYSKIYE VESTI in Russian 12 Dec 92 p 4

[Article by Igor Sukhanov "Weapons and Narcotics Secret Routes"]

[Text] Russian law-enforcement bodies still have not been able to control fully the illegal movement of weapons and narcotics about the country, or their importation from or exportation to other countries.

Well informed staff workers of the Russian Federation State Customs Committee—Deputy Chief of the Administration for the Struggle with Smuggling and Violation of the Customs Laws Vladimir Yegorov and Chief Inspector of the Section for the Struggle with Smuggling in Foreign Trade Aleksandr Trifonov—admit that Russian customs offices over the length of our borders have not been able to deal effectively with weapons smuggling.

According to the statistics of the Russian State Customs Committee, 258 cases associated with weapons smuggling have been brought since 1 January 1992. Of these 73 were for exporting weapons, 185 for importing them.

Type of weapon	Total cases	Exported	Imported
Rifles	11	--	11
Pistols	12	5	7
Hunters' guns	7	--	7
Pneumatic guns	6	4	2
Knives and daggers	17	8	9
Other objects	5	--	5
Explosive devices	2	1	1
Parts for explosive devices	2	1	1
Grenades and shells	3	--	3
Gas pistols	41	6	35
Charges for gas pistols	41	6	35
Gas cylinders	54	8	46
Military equipment	1	--	1
Cartridges live	22	4	18
Cartridges hunters	20	19	1
Cartridges pneumatic	1	1	--
Cartridges small caliber	18	10	8
Launching pistols and rockets	3	--	3
Charges for them	1	--	1

However, the number of customs cases that have been brought for weapons smuggling in no way reflects the actual picture of illegal exporting of weapons from Russia.

Incidentally, an analysis of the purposes of the travels of those who try to export weapons merits attention. Among those detained by Russian customs smugglers, 36

traveled for personal business, 26 were tourists, 150 were sent on official business, 17 were returning to their permanent place of residence, and the others numbered 29.

The basic reason for the weakness of customs control in Russia, V. Yegorov and A. Trifonov admit, is the poor state of technical support for customs offices. Only Sheremetyevo Customs has been furnished more or less modern monitoring equipment. At other customs offices, the customs officers have to rely just on their intuition.

Another important factor that does not allow illegal exporting and importing of weapons to be controlled is the political line of the current leadership of the Russian Federation on "transparency" of the borders. There is a general lack of any kind of border and customs control over Russia's very vast territory. In essence, the borders between Russia and the Ukraine and between Russia and Georgia are open, and control over Russia's borders with the Baltic countries is poorly set up. Thus, there is a distinct possibility for the uncontrolled exportation of weapons from Russia and their introduction into the country from such "hot spots" as Georgia, where a civil war is going on, as well as from the Baltic, where Russian troop withdrawals are going on hastily and where control over weapons storage has been arranged extremely poorly. In essence, the introduction of weapons through other countries that previously were part of the USSR—primarily the Central Asian republics—is not being controlled.

In Aleksandr Trifonov's opinion, the eastern and southeastern portion of Russia's state borders traditionally have been the most strongly protected. The political changes of recent years have in no way, in essence, affected the extent of control of these segments. However, after the exit of Soviet troops from Mongolia, the opening up of a number of new crossing points between Russia and China and a weakening of the border-control system (control of most of the border zones, entry into which had been authorized only in accordance with special passes, the dismantling of special guard structures at the border and of technical support for control, and so on) over the great expanses of the eastern and southeastern borders have created real possibilities for the smuggled movement of various shipments, including weapons.

At the customs offices at ports of Primorskiy and Khabarovskiy krais, control over the exporting of weapons is just as complicated because of extremely poor technical support of the local customs facilities. Yet, after the well-known case of the smuggling of two revolvers and cartridges into the port of Otaru (Japan) in exchange for used cars, the stiffening of customs inspection has consisted only in the Primorskiy Kray administration's warning that, if the crewmen of Russian ships who violate the customs rules and laws of other countries are

not called to account by the foreign authority, this will be done upon their return to the port of registration on the basis of Russian laws.

However, in the opinion of RF State Customs Committee specialists, these measures cannot change the situation much.

Narcomania and narcobusiness have been developing very actively in recent years in Russia and other countries of the former USSR. The availability of large amounts of narcotics raw materials and, again, that same "transparency" of the borders within the former USSR are promoting this situation.

According to recent assessments by experts, 5.5-5.7 million people on former USSR territory are using narcotics regularly. Marijuana was most widespread in use during the first stage of narcomania's development in Russia and other CIS countries.

The transition to a second stage has been noted since 1991. The variety of narcotics has been expanded through "hard" narcotics substances of plant origin (opium, heroin, and cocaine), as well as synthetic preparations (phenamines, phetamines, and others). There is operational information that a new synthetic narcotic—trimethylphenanthil, whose effect is several times as strong as heroin's, has been developed by Russian specialists from criminal narcotics groups.

"Hard" narcotics of plant origin (opium and heroin) arrive in Russia basically from the Central Asian and Caucasian republics, as well as from Afghanistan. In March 1992 narcotics couriers who had delivered a shipment of opium worth R1.5 million were detained in Moscow.

The international narcotics business on the territory of Russia and other republics of the former USSR has begun in earnest. According to the data of foreign specialists, the Sicilian Mafia, the Neapolitan Camorra, and the Calabrian Idrageta have established close contacts with representatives of Russian organized crime, particularly in the narcobusiness area. The first encounters took place in Warsaw in March and June 1991 and then were continued in Moscow.

The increasing frequency of cases of the confiscation of cocaine in Russia and other East European countries testifies that the political changes that have been occurring in Central and Eastern Europe have caused the narcotics market to expand. In so doing, international narcobusiness views Russia and other CIS republics not only as a "reserve space" for marketing narcotics but also as a source of cheap narcotics for shipment to Western countries—as a transport "bridge" for smuggling narcotics from Asiatic states to the United States and Western Europe, and also as a place for "laundering" narcotics money.

The smuggling of narcotics through Russia and other CIS republics from Asian countries to the West is increasing.

The old channels for transporting them through Turkey, Bulgaria, and Romania are falling under increasingly strict control of the law-enforcement agencies of these countries. The borders of the former USSR are so long that arranging for such rigid control is much more difficult. Moreover, there is a high-capacity stream of containers flowing through Russia and other CIS countries. Several large batches of narcotics have been discovered in containers that had been shipped from the "Golden Triangle" to Western Europe.

Russia and other former USSR republics are getting greater attention from the international narcobusiness also as a place for "laundering" narcotics money. Undoubtedly, expansion of the privatization process and inauguration of an internal convertible rule will increase this interest.

According to the information of the Chief Inspector of the Section for the Struggle with Narcotics of the Russian State Customs Committee, Pavel Tarabanko, during the last five years about 1,500 attempts at the smuggled entry or exit or transit of narcotics substances and psychotropic substances through USSR territory were broken up.

In 1991, in 92 cases, the Customs Service of the former USSR seized more than 3,100 tons of various narcotic substances. During the past 11 months of 1992, in 56 cases, 420 kilograms of various narcotics were seized by Russia's customs bodies.

The southern direction—from countries of the Golden Triangle and the Golden Crescent (Afghanistan, Pakistan, and Iran), as well as the former USSR's Central Asian republics—is becoming more dangerous. The transit of smuggled narcotics by air through Russia from Southeast Asia (India, Thailand, Sri Lanka, Malaysia, Singapore, and Pakistan), and from Africa and Latin America to Western Europe and the United States is gaining in vigor.

The local penetration of narcotics into Far East areas from China, North Korea, and Vietnam is being expanded.

The number of crimes in which foreign citizens participate is increasing. Such cases occur regularly in Khabarovskiy and Primorskiy krais, Moscow, Saint Petersburg, and Rostov.

The Customs Code, which gives the Customs Service the legal right to use the "controlled shipment" method was adopted in March 1991. Recognizing this method as a more effective way of dealing with illegal narcotics traffic, in 1991 the country's Customs Service made 10 "controlled shipments" with foreign agencies that had jurisdiction. In particular, there were one operation with law-enforcement agencies of Germany and the Netherlands that involved the in-transit container channel (3,000 kilograms of hashish) and nine controlled shipments by air with the customs services of the FRG, France, Holland, Great Britain, Denmark, Austria, and

Hungary (about 23 kilograms of hashish, marijuana, and heroine). As a result of these operations the foreign services arrested 20 people who were charged with acts of smuggling.

During the period 1985 through 1991 more than 15 tons of hashish and about 300 kilograms of marijuana, 80 kilograms of heroin, and 15 kilograms of cocaine were seized while in transit.

In 1992 collaboration with foreign customs and law-enforcement agencies in the struggle with unlawful traffic in narcotics and psychotropic substances was continued.

In late November and early December 1992, at the initiative of the Russian Federation MVD [Ministry of Internal Affairs] three regional meetings were held in Novosibirsk, Saint Petersburg, and Rostov-on-Don on problems of controlling the illegal production and distribution of narcotics. Attending were representatives of law-enforcement agencies of Russia, nearby foreign countries, and states of the Asiatic-Pacific Ocean region, the Near East, Western Europe, and the United States, as well as Interpol staff workers.

In the opinion of Militia Maj-Gien Aleksandr Sergeev, Chief of the Administration for the Struggle with Illegal Narcotics Traffic of the RF MVD, who chaired these meetings, Russia's law-enforcement agencies today are seizing about 10-15 percent of all the narcotics that are in the illegal traffic. And in order somehow to strengthen the struggle with the drug-related criminality that is increasing in the country, the efforts not only of the law-enforcement organs of the CIS countries but also of all countries of the world that are interested in solving this problem must be combined.

Decree on Struggle With Crime and Corruption

935D0174A Moscow ROSSIYSKAYA GAZETA
in Russian 17 Dec 92 p 6

[Decree of the Congress of People's Deputies of the Russian Federation, No. 4081-1, 14 December 1992, "On the State of Lawfulness and the Struggle Against Crime and Corruption"]

[Text] The Congress of People's Deputies of the Russian Federation notes that the state of lawfulness and law and order in Russia has become critical. Violations of the Constitution of the Russian Federation and the laws of the Russian Federation and the rights, freedom and lawful interests of the individual are widespread. The protection of the life and health of the citizens and their honor, dignity and property are not properly ensured. Crime is growing, and acquiring qualitatively new, organized and increasingly dangerous forms of an interregional and international nature. The number of armed crimes committed has increased. The state of crime committed by minors and young people is particularly

alarming. Corruption has taken on unprecedented scope. All this has begun to be a real threat to the safety of the state.

The main reasons for this situation are the strained socioeconomic and political circumstances, the reduction in the standard of living of the people, the drop in public morality and the legal nihilism that has gripped society and the authoritative structures, especially in local areas.

Many of the mass information media, by cultivating brutality, violence, total permissiveness and extreme forms of individualism, are undermining respect for the law. At the same time, the people have a low level of legal information.

The legal rights authorities, to a certain extent confused by the lack of a clear-cut and consistent criminal-law policy, are failing to cope with the growing swell of crime and the most dangerous forms of it, making errors in their activity and making extremely poor use of the existing legislation and the means and powers available to neutralize and break the trend toward an increase in crime and to ensure unconditional execution of the laws of the Russian Federation by all officials and citizens. The personnel and software-hardware of the law authorities, and the legal and social protection of their workers, do not meet today's demands.

The imperfection of the mechanism for carrying out the laws and monitoring their execution has an adverse effect on the state of lawfulness and the struggle against crime.

The Congress of People's Deputies of the Russian Federation decrees:

1. Examine the ensurance of lawfulness and the reinforcement of law and order and public safety, and intensification of the struggle against crime as a priority, all-state problem, with stabilization of the sociopolitical situation and the fate of economic reforms in many ways depending on its solution.

2. The Supreme Soviet of the Russian Federation, with a view to ensuring reliable protection of the rights, freedom and legal interests of the citizens, reacting promptly to the changes in the criminogenic situation and filling in the gaps in legal regulation in the struggle against crime, is to examine immediately the draft of the laws on problems of the struggle against organized crime and corruption, submitted by the President of the Russian Federation.

3. The Supreme Soviet of the Russian Federation, in the first half of 1992, is to

Draw up and pass a law on demarcating the competence between the Russian Federation and its subjects in the sphere of guarding the rights, freedom and legal interests of citizens and ensuring lawfulness, law and order and public safety.

Approve the bases for a state criminal-legal policy, and be steadfastly guided by them in further legislative activity;

As a priority procedure, eliminate the contradictions in the existing legislation which could be used for illegal purposes;

Finish drawing up and pass legislative acts on state service, on the Investigative Committee of the Russian Federation, on the struggle against corruption and speculation, on weapons, on the struggle against organized crime, gangsterism and terrorism, on monitoring the dissemination of narcotics, on responsibility for legalizing incomes from criminal activity, on the legal defense of those working in legal rights departments, courts and control departments, on ensuring the safety of participants in criminal procedures, on the legal and social protection of minors, on state and customs borders, on liability for creating illegal armed formations and participating in them and on liability for blocking main transport lines, and is also to make the necessary amendments and additions to the existing criminal, criminal-procedure and administrative legislation;

Establish liability for public calls to violate the sovereignty and territorial wholeness of the Russian Federation;

Consider the problem of intensifying liability for illegal manufacture, storage, carrying, transport, sale and acquisition of weapons, ammunition and explosives;

Develop a mechanism for efficient monitoring of the execution of the laws and decrees passed by the Supreme Soviet of the Russian Federation;

Consider the problem of adding to Article 20 of the Russian Federation Law "On the Office of Procurator of the Russian Federation" a statute obliging the Procurator-General of the Russian Federation to supervise the conformance of the decrees of the Government of the Russian Federation that are of a normative-legal nature to the laws of the Russian Federation;

Consider the problem of extending the period, established by Item 2 of the decree of the RSFSR Supreme Soviet "On the Procedure for putting into effect the RSFSR Law 'On the Police' of 18 April 1991, for the police to transfer the functions of notification of child neglect and organization of the activity of receiver-distributors for minors to the jurisdiction of other organs.

Study the practice of passing laws of the Russian Federation which establish a guarantee of the immunity of certain categories of officials, and submit the corresponding proposals at the next Congress of People's Deputies of the Russian Federation;

Introduce a procedure for carrying out obligatory criminological expert examination of drafts of the laws and other statutes of the higher organs of state authority and

administration of the Russian Federation which are socially and economically significant;

Create a state fund to combat crime, including through 100 percent of the property confiscated by court verdict, 15 percent of the fines exacted by court verdict and 1 percent of the withholdings of revenue from the sale of alcoholic beverages.

4. Approve the creation of an Interdepartmental Commission of the Safety Council of the Russian Federation as a body coordinating the development and implementation of federal programs directed toward ensuring the rights, freedom and personal safety of citizens and the struggle against organized crime and corruption.

Establish the coordination of the personal staff of the committee with the Supreme Soviet of the Russian Federation. Propose that the permanent commissions of the chambers and committees of the Supreme Soviet of the Russian Federation assist the chairman and members of the Interdepartmental Commission in their work.

5. The Supreme Soviet of the Russian Federation and the Government of the Russian Federation are to solve, in the first quarter of 1993, the problem of introducing a system of wages and benefits for workers of the offices of the procurator, internal affairs, federal authorities of state security, subdivisions of tax investigations, the Internal Intelligence Service of the Russian Federation and customs authorities and to ensure a high level of social protection for them.

6. Propose to the President of the Russian Federation, that he present, before 1 February 1993, a report on ensuring the safety of the Russian Federation and measures to intensify the struggle against crime for the consideration of the Supreme Soviet of the Russian Federation.

7. The Government of the Russian Federation is to:

In the first half of 1993, present to the Supreme Soviet of the Russian Federation a draft of the State Program for Reinforcement and Development of the Legal Rights Defense Bodies in 1993-1995, with its financial and material-technical ensurance;

Negotiate with the governments of the states participating in the Commonwealth of Independent States and other concerned states on concluding contracts on mutual legal assistance;

Come forth with an initiative to create, within the framework of the Commonwealth of Independent States, an interstate body to coordinate the struggle against the most dangerous crimes;

Prepare, on the basis of an expert evaluation, proposals on the joining of the Russian Federation to the Convention of the European Council on laundering, seeking out, immobilizing and confiscating incomes from criminal activity.

Satisfy the demands of the internal troops of the Ministry of Internal Affairs of the Russian Federation for call-up resources;

In a three-month period, develop and submit, for the consideration of the Supreme Soviet of the Russian Federation, a draft of the law on military police in the Armed Forces of the Russian Federation;

Ensure the conditions for the efficient work, in law-keeping structures, of organizations for social protection of their workers;

Reinforce the legal services in state administrative bodies of all levels;

Organize, for the purpose of reestablishing the violated interests of the state, reregistration of nonstate economic structures created by using state property, in the course of which there should be verification of the sources and legality of forming the initial capital and the efficiency of using charter capital belonging to state organizations. Verify the lawfulness and substantiation of the evaluation of facilities transferred to the property of or leased to commercial structures before the RSFSR Law "On Privatization of State and Municipal Enterprises in the RSFSR" went into effect.

Consider the problem of creating a unified centralized register and data bank on the subjects of economic activity operating on the territory of the Russian Federation, to ensure monitoring of tax payments.

Revise, for the purpose of stopping illegal export of valuables which are Russian national property and of foreign currency, the procedure for issuing official and diplomatic passports, and also the rules for making an examination when citizens cross the state borders of the Russian Federation, by limiting the list of persons not subject to examination only to those officials who possess diplomatic immunity in accordance with the norms of international law;

Draw up a state target program, "Improving the Corrective-Labor System and Efficient Labor Employment for Convicts." Ensure the fulfillment of the international obligations of the Russian Federation on treatment of prisoners; for this purpose, carry out the necessary restructuring of investigatory solitary confinement cells and prisons, bring the conditions of maintaining prisoners into accordance with international legal acts;

Prepare proposals on creating a fund for social rehabilitation of those suffering from alcoholism and drug addiction;

Work out a set of measures to protect the rights of children and adolescents.

8. Recommend to the higher organs of state authority and republic administration included in the Russian Federation and to the organs of state authority and administration of the autonomous oblast, autonomous

okrugs, krays, oblasts, cities of Moscow and St. Petersburg and organs of local self-government that they:

Draw up regional programs to combat crime;

Ensure the utmost support, necessary financing and material-technical supply for public safety police (local police);

Join the forces of state and public organizations and the mass information media in the interests of purposeful implementation of preventive inspection measures against law violations. In consideration of the local conditions, consider the possibility of restoring and stimulating the activity of various public formations helping to keep public order and being maintained through the budget of the appropriate level or special funds;

Set up funds for social assistance for persons released from imprisonment.

9. Indicate to the Procurator-General of the Russian Federation, the Minister of Safety of the Russian Federation and the Minister of Internal Affairs of the Russian Federation the errors in the work of the organs subordinate to them and the inadequate monitoring of their activity and oblige them to submit to the Supreme Soviet of the Russian Federation, before 1 February 1993, a set of coordinated measures aimed at reinforcing lawfulness and ensuring aggressive action to combat crime.

10. The Supreme Soviet of the Russian Federation and the Government of the Russian Federation are to report on the course of fulfilling this Decree at the next Congress of People's Deputies of the Russian Federation.

[Signed] R. I. Khasbulatov, chairman of the Supreme Soviet of the Russian Federation
Moscow, the Kremlin
14 December 1992
No. 4081-1

Law on Changes in Criminal Code Related to Fines

935D0169A Moscow ROSSIYSKAYA GAZETA
in Russian 10 Dec 92 p 3

[Law signed by Boris Yeltsin, President of the Russian Federation, in Moscow, Russian House of Soviets, November 24, 1992, No. 3996-1: "Law of the Russian Federation on Incorporating Changes to the Criminal Process Code of the RSFSR, With Regard to Procedures for Recalculating Monetary Penalties and Fines"]

[Text] **Article 1.** Incorporate the following changes into the Criminal Process Code of the RSFSR (RSFSR Supreme Soviet Gazette, 1960: No. 40, p. 592; 1966: No. 36, p. 1018; 1983: No. 32, p. 1153; and 1985: No. 5, p. 163):

In Part 3, Article 57; Part 2, Article 73, and Part 5, Article 133, the words "thirty rubles," will be changed to "one third of the minimum wage rate";

in Part 2, Article 94, the words "up to 100 rubles" will be changed to "up to the amount of the minimum wage rate"; and

in Part 4, Article 263, the words "from ten to thirty rubles" will be changed to "from one tenth to one third of the minimum wage rate."

Article 2. This law will become effective as of its date of publication.

Muscovites Polled on Fear of Crime

934C0505D Moscow PRAVDA in Russian 27 Nov 92
p 2

[Unattributed report: "Gripped With Fear"]

[Text] Professor B. Grushin's sociological service has conducted a poll of Muscovites. Among the results: They live in constant fear for themselves and their loved ones. Seventy-eight percent of city residents fear becoming a crime victim. Women suffer from more anxiety than men (82 percent and 74 percent, respectively). Young people under 25 and pensioners feel relatively less fearful than other age groups that they are in danger of becoming crime victims. People with higher education, managers, specialists, white-collar workers, and housewives feel more unprotected than others. The fear of becoming a victim of crime is especially great among the residents of Moscow's Central Administrative District—90 percent.

Changes in Passport Laws Examined

934C0505B Moscow IZVESTIYA in Russian 4 Dec 92
Morning Edition p 3

[Report by Igor Andreyev, IZVESTIYA: "Going Abroad—With a 5,000-ruble Passport"]

[Text] The long-suffering law "On the Procedures of Exiting the USSR and Entering the USSR for USSR Citizens" was adopted more than a year and a half ago. Less than a month remains until all the provisions of this act, adopted by the parliament of a no longer existing state, go into effect. How, and with what passport, are we going to travel abroad starting 1 January 1993?

So far, as before, with a red booklet carrying the USSR symbols, says Militia Major General Rudolf Kuznetsov, chief of the Russian MVD's [Ministry of Internal Affairs] UVIR [Visa and Registration Administration]. And not only residents of Russia, but the entire population of the CIS, whose leaders signed an agreement on 9 October in Bishkek on visa-free travel of the Commonwealth states' citizens on the territory of its members. As to travel to more distant foreign countries, the Bishkek agreement assumes that the appropriate USSR law will

serve as a legal basis for it from 1 January 1993 onward, "unless national legislative acts on these issues are adopted by this time."

Certain political events prevented the legislature from formally adopting proposals of the then USSR Cabinet of Ministers with respect to phased activation of the articles of the exit law. Neither have the corresponding Russian acts been adopted yet. Currently, and from 1 January 1993 on, the UVIR of the Russian Federation [RF] MVD relies in its practical work on the existing all-Union law unless it contradicts the RSFSR Constitution and its laws, as well as the Declaration of Human Rights adopted by the Russian Supreme Soviet.

Starting from 1 January of next year, the Russian side will not require an invitation from abroad and an explanation of the purpose of the upcoming trip; also, the MVD will no longer be putting a authorization stamp "Exit valid until..." in your passport.

R. Kuznetsov clarifies, however, that the repeal of this rule comes into conflict with the Russian law on stamp duty. The latter is different depending on the circumstances of Russian citizens' travel abroad. Those who leave the country temporarily pay 200 rubles [R]. Those leaving permanently pay R1,000. As long as citizens were required to come to VIR [visa and registration] organs to get the authorization stamp, the regulation was simple: The state duty depended on the stated purpose of the trip. What will start happening beginning 1 January?

One could, of course, speculate Kuznetsov, assess additional duty from those leaving permanently directly at the border. Or still continue coming to VIR organs with a receipt and get a "Duty Paid" stamp in the passport. Which, in the UVIR chief's opinion, only complicates monetary clearing within the CIS and is inconvenient for the citizens. In his opinion, the solution is to amend the law on stamp duty and to go over to a single duty that does not depend on the purpose of the trip. And in establishing principally different relations between the traveling citizen and the organs issuing a passport.

One can see the future this way in this respect. Each Russian citizen who has a right to a foreign travel passport (all instances "against" such issuance are stipulated in the USSR law), comes to the VIR organs in the area of his residence once every five years. Having paid R5,000, he receives a passport valid for this period, and from there on, no official stamps are required. Only the visas of foreign states and border control stamps. It is left up to the citizen and the respective countries whether he goes on a temporary visit or to settle permanently. Besides, clarifies R. Kuznetsov, instead of the 21 pages in the passport that are currently available for both authorization stamps and entry visas, the new document will have 33 pages for entry visas only.

There will be a transition period, during which current passports are to be exchanged or reregistered, at which time their owners pay the R5,000 duty. The MVD UVIR assures that the transition to a new practice ought to be

smooth and will not interfere with the trips already in the stage of processing that are being planned for January, February, and even March. R. Kuznetsov wishes to use this opportunity to ask Russian citizens through IZVESTIYA not to come to VIR organs unless there is an extreme need. There is no need to reregister the passport and exchange it for the new version if your trip is being planned for spring, summer, or fall. Let the first wave of those leaving immediately after 1 January subside. Besides, the State Mint factory promises to produce 3 million passports in the first quarter of the next year, and a total of about 10 million over the year.

R. Kuznetsov hopes that the reregistration and the issuance of new documents will finally allow order to come to the passport business. Today many citizens have several passports, issued by various VIR organs or MFA [Ministry of Foreign Affairs] consular departments. Tourist companies that organize foreign trips from "ground zero"—arranging for a passport—have proliferated like mushrooms, and there is a lot of abuse in this sphere. By the way, in commenting on the recent scandal involving the issuing in absentia of a foreign travel passport of a Russian citizen to a Swedish journalist, R. Kuznetsov categorically denied VIR organs' involvement in this incident. The document was issued upon presentation of some organization by the MFA's consular department. This is just an additional argument, insists Rudolf Alekseyevich, in favor of a sharp curtailment of the number of departments and organizations that should remain authorized to apply to the MVD for the issuance of passports. And not to outsiders, for that matter, but only to staff members who must, upon leaving the job, leave the document to those who issued it.

Ideally, emphasizes R. Kuznetsov, regardless of where the person applying for a general-use foreign travel passport works or lives, he should, in full compliance with the law, apply in person to the VIR organs at the place of his residence. Beginning next year, tourist companies will not be able to obtain passports for their clients. They will have to include in their groups only those who already have such documents.

Among the still-unresolved problems Major General Kuznetsov named that involving Russian Federation residents who have not yet claimed Russian citizenship. He believes that urgent changes are needed in the corresponding RF law, as well as negotiations at least within the CIS framework. Otherwise, issuing a Russian foreign travel passport to, for instance, a Muscovite who after 6 February 1992 (when the RF Supreme Soviet adopted a law on citizenship) remained a citizen of Ukraine or Belarus and still remains such, places upon Russia certain unjustified obligations with respect to protection of his rights abroad.

Edict on Aid to Education

935D0169B Moscow ROSSIYSKIYE VESTI in Russian
12 Dec 92 p 5

[Edict signed by B. Yeltsin, President, Russian Federation, Moscow, Kremlin, December 9, 1992, No. 1553: "Edict of the President of the Russian Federation on Measures for Supporting State Institutions of Higher Education"]

[Text] With the goal of ensuring the existence of state institutions of higher education during the transition to a market economy, I hereby decree the following:

1. It is confirmed that state institutions of higher education and state institutions for raising professional skills have been given real estate properties for free use for an unlimited period of time. These properties were allocated previously in accordance with prescribed procedures.
2. State institutions of higher education are given the right to rent, without selling rights, or to grant temporary use of real estate properties that have been allocated to them.
3. State institutions of higher education have the right to use property transferred to them for operational purposes, including use for economic activities, renting without selling rights, and other utilization.
4. This edict becomes effective in accordance with procedures established by Point No. 3 of the decree of the Fifth Congress of People's Deputies of the RSFSR, dated November 1, 1991, "On Legal Guarantees of Economic Reforms."

Deputies Call on Yeltsin To Investigate Education Ministry

934C0553C Moscow ROSSIYSKAYA GAZETA
in Russian 10 Dec 92 p 3

[Inquiry to Yeltsin from 206 signatories: "Deputies' Inquiries to B.N. Yeltsin, President of the Russian Federation"]

[Text] Recently, the mass media (television, radio, ROSSIYSKAYA GAZETA, UCHTELKAYA GAZETA, SELSKAYA ZHIZN, IZVESTIYA, PRAVDA, and a number of other publications) publicized information, and received numerous responses, on verifying the implementation of the 1991 budget by the Ministry of Education of the Russian Federation.

This information shows E.D. Dneprov's direct participation in misappropriating state funds and his destructive role in managing public education.

Based on investigative findings, the Presidium of the Supreme Soviet of the Russian Federation recommended, in its decree of October 26th of this year, that

you look into the question of the propriety of E.D. Dneprov's position as minister.

We request a response, based on the following questions: Who recommended E.D. Dneprov for a position as advisor to the President of the Russian Federation, and does E.D. Dneprov have the moral right to formulate policy in the areas of education and reform of the humanities in Russia?

[Signed] People's Deputies of the Russian Federation:

Altay Piche-Ool, Kyzylskiy National-Territorial Electoral Okrug No. 129, Republic of Tuva;

Oleg Smolin, Kuybyshev Territorial Electoral Okrug No. 536, Omsk Oblast; and

German Fomin, Kushvinskiy Territorial Electoral Okrug No. 871, Sverdlovsk Oblast, and others.

There is a total of 206 signatures.

FROM THE EDITORS: This request was given to the Secretariat of the 7th Congress of People's Deputies of the Russian Federation, to be handed over to B.N. Yeltsin, President of the Russian Federation.

ECONOMIC & SOCIAL AFFAIRS**Economic Prospects in Light of Chernomyrdyn's Appointment**

934A0514A Moscow RABOCHAYA TRIBUNA
in Russian 18 Dec 92 p 1

[Article by Aleksandr Krotkov: "Who Is a Greater Marketeer—the Former Acting Prime Minister or the New Chairman of the Council of Ministers: Chernomyrdin Earns Hard Currency at the World Market While Gaydar Was Begging From the IMF"]

[Text] As it happens after every battle with no clear victor, the commanding ranks of the opposing sides are rushing to proclaim their victory, plus attribute the success of the battle to themselves personally. At first glance, the legislators' victory is inarguable: Not only have they managed to preserve the parliament and the congress as institutions of political power, but also to topple the "unloved" Gaydar. Let us not forget, however, that "in exchange" the president pushed through the repeal of the deputies' right to veto his edicts and the April referendum on the constitution. One may safely assume that the widely known long memory of Boris Nikolayevich, who does not forgive slights, plus the tenacity of the Democratic Russia members, whom the "defeat" will bring closer together, will still plunge us into political crises and social conflicts.

Therefore, it is wrong to contend that the victory in the Kremlin went to the industrialists, the Civic Union, or the Russian Unity, and even more so to name Khasbulatov or Aksyuchits among heroes. "If you have to thank someone for the final balance of forces at the congress," one of the people in the president's inner circle told me

with a smirk. "you have to thank Burbulis who did an exceedingly poor job in organizing the rally at the AZLK [Leninist Komsomol Auto Works] in support of the president's pro-Gaydar line." That very rally where the president ended up hearing from the workers a lot of not entirely pleasant things, for example, despite their support for the reforms in general, they do not share their tough course and demand that the president keep his half-forgotten promises regarding social guarantees for all Russians.

It appears that it was then that the president realized that he would not have the old absolute support among the people as long as he is on the same team with Gaydar. The fact that the "coercion ministers," who spoke at the congress, pledged their allegiance to constitutional and legislative power, also played its role. It would have been more than reckless of Yeltsin to force an anticongress campaign with such a rear support. So he drew his conclusions...

If one accepts this assumption, many things immediately become clear: Why, for instance, instead of leaving all 17 contenders on the final voting list and thus increasing Gaydar's chances, did the president cut their number to five. Or why had he rushed to "give up" Burbulis even before the congress, although he could easily have waited a few days.

In all probability, to soothe his conscience the president chose to convince himself that "his own" had betrayed him by disingenuous economic policy and just as disingenuous political intrigues even before he betrayed them. Actually, it is not too far from the truth.

As to Viktor Chernomyrdin, who was the president's final choice (after the "gas man" received such a powerful support at the congress) and whose advent, according to predictions in the radical press, will bring market reforms in Russia to an end, I want to remind the readers of something said by a noted leftist political scientist Leonid Skoptsov as long ago as half a year: "The former all-Union minister has produced the only foreign economic achievement of the last few years—breaking through a blockade set up at European markets against Russian gas. Therefore, I, for one, cannot consider Chernomyrdin less of a marketeer than Gaydar solely on the basis of the fact that the Ministry of Gas Industry earns its hard currency in the marketplace while the Russian Government is begging the IMF for it, demonstrating in the process a very good knowledge of English." In short, the change of prime minister in this case does not mean at all a change of the economic course.

In the eyes of fanatical monetarists, Chernomyrdin "sullied his reputation" in that early on, during the relatively well-to-do years, he transformed the All-Union Ministry of Gas Industry into a concern—"changed the sign," protected his structure from questionable reformist innovations of the last years of perestroika. It may be, however, that thanks precisely to this step we are now able

to warm up our considerably more vegetarian "shock therapy" soup on gas ranges, paying relatively reasonable rates for the "blue fuel."

A certain concern among private commercial traders was caused by the prime minister's words that great Russia ought not to be turned into a country of shopkeepers. Some saw in this the intent to "ban the cooperatives." People who know Viktor Stepanovich closely, though, maintain that banning anything is not his style: He supports the policy of equal economic opportunities for every—without exception—sector of Russian economy. Although he does have a certain preference for goods producers, regardless what economic sector they belong to.

Well, we will see how the new prime minister will behave. Without question, the legacy he inherited is not enviable. One can understand Gaydar when he, with a hurt smile, sympathized with the "ascendant to the throne" in speaking of the pile of problems he will have to shovel. Unlike Gaydar, however, Chernomyrdin has one tremendous advantage: The credit line of popular confidence in him has just been opened. Which means that the president's appeal for a moratorium on political battles for the near-term stabilization period may be heard. Not by all, perhaps, but by many.

Illarionov Reviews First Year of Reforms

93A40507B Moscow ROSSIYSKIYE VESTI in Russian
16 Dec 92 p 3

[Article by Andrey Nikolayevich Illarionov, deputy leader of the Government of the Russian Federation Working Center for Economic Reforms: "First Year of the Reforms: Survey of the Economic Situation"]

[Text]

1. Credit-Monetary and Financial Policy

Two main periods may as of the present be distinguished in the activity of the government and the Central Bank in respect to control of the money supply and in the consequences of this for the state of the economy.

Throughout the first period (January-May) the center of attention of the government and the Central Bank was the problem of curbing the growth of the amount of money in circulation. Strict control of the money supply was a most important condition of preventing the economy's collapse into hyperinflation following the 2 January 1992 price liberalization.

This policy was realized quite successfully, and it was possible, on the whole, to hold the rate of increase in the money supply at a perfectly acceptable level (from the viewpoint of preventing hyperinflation): 9-17 percent a month.

The consolidated budget was practically balanced. In January-April it was squared away with a negligible surplus, and its deficit in May was still relatively small. Credit issue, although considerably in excess of the

ceiling of the increase therein established for the first quarter of eight percent, was still moderate.

The result of the restrictive monetary-credit policy was a consistent—month to month—decline in the level of unconcealed inflation. Following the January price explosion of 345 percent, which swallowed up a large part of the cash overhang which had built up by this time, the consolidated consumer price index gradually declined to 112 percent in May and to 109-111 percent in July-August. The wholesale price index in industry also declined from 482 percent to 113-117 percent in July-August.

Under the impact of a number of factors (the strong seasonal nature of the Russian economy and powerful political pressure on the government) there was as of June a transition from a restrictive to an openly pro-inflation policy.

On the one hand there was a growth in the government's budgetary expenditure in respect to all items, but particularly significantly on social programs and the financing of the national economy. The proportion of budget expenditure in the gross domestic product (GDP) doubled—from 34.3 percent in May to 67.6 percent in August—whereas the proportion of revenue in the GDP increased only 31 percent. As a result the deficit of the consolidated budget system fluctuated throughout the summer months within the 15-30 percent of GDP range, attracting for its defrayal credit resources of the Central Bank and becoming thereby a most important inflation-generating factor.

The leadership of the Central Bank sharply increased the amount of credit not only to the Ministry of Finance (by R957 billion in July and August) but also to the commercial banks (by R708 billion in July through the first half of September) and the states of the ruble zone (by R250 billion in the same period of time). As a result the amount of the aggregate money supply in July-September grew at a rate of 25-34 percent a month.

The increased volume of money supply reached the consumer market with a negligible time lag (from one to two and a half months), causing a reduction in its commodity saturation, an emptying of commodity stocks, and increased price rises. As was to have been expected, the credit resources obtained by the commercial banks were channeled in a significant volume (of the order of 30 percent) into the currency market, where the surge of ruble demand led to a steep decline in the exchange rate (from R112.4 in June to R447 at the end of November).

The serious deterioration in the macroeconomic situation, which was fraught with the danger of an uncontrolled growth of the money supply and a collapse into hyperinflation, forced the government to embark as of September on a tightening of fiscal policy within the sphere of its direct influence. The reduction in federal budget spending by a factor of 2.8—from R525 billion to R187 billion—undertaken in September has to be

termed extraordinary, but at the same time absolutely necessary. Together with the revenue increase of 37 percent this made it possible to secure a surplus consolidated budget balance in September in the amount of 12 percent of GDP. But this proved sufficient merely for a certain lowering of the deficit of the budget system from 8.8 percent in eight months to 6.7 percent in nine months of this year.

At the same time the continuing growth of the amount of the allocation of credit together with new pension legislation which has been enacted will contribute to the preservation of the high rate of growth of the money supply. This means that curbing inflation, which has reached a dangerous level, will be a most important macroeconomic problem of the coming period.

2. The Consumer Market

Curbing the growth of the money supply in the first months of the reform produced auspicious changes on the consumer market. The total amount of commodity stocks increased from the critical level of 37 days of trade at the end of December 1991 to 81 days by the end of June, and commodity stocks in wholesale trade and industry, from 6 to 26 days. Commodity stocks measured in constant prices grew steadily up to the end of June and had increased 61 percent compared with January (in retail trade by 47 percent, in wholesale trade and industry, by a factor of two).

The degree of market balance improved appreciably. The relationship of commodity stocks to society's monetary resources (sum total of cash and savings bank deposits) grew from 15.4 percent in December 1991 to 53.4 percent in June 1992, and their relationship to the total volume of retail commodity turnover, from 104 percent to 231 percent respectively. The index of saturation of the food market increased substantially—from 47.6 percent at the end of January to 55.3 percent in June.

The substantial easing of credit and financial policy, which commenced in June led to a radical change in the situation on the consumer market. All commodity stocks declined from 81 to 56 days of trade, this including a decline in retail trade from 55 to 40 days and in wholesale trade from 26 to 16 days. In constant prices they declined in this period 10 percent, 4 percent, and 23 percent respectively.

The degree of market balance deteriorated. The relationship of commodity stocks to society's monetary resources declined from 53.4 percent to 37.7 percent, and to retail commodity turnover, from 231 percent to 159 percent. The index of saturation of the food market in these months fluctuated within the 55-57 percent range.

3. Industrial Production

The start of the radical economic reforms in January 1992 brought about a sharp decline—of 10.4 percent—in

industrial production compared with December 1991. The decline in production by sector was uneven. It affected to the greatest extent—15-32 percent—the food, chemical and petrochemical industry, and ferrous and nonferrous metallurgy. The decline in production occurred to the least extent in power engineering and mechanical engineering and metal working—by 0.7-1.1 percent. For the majority of sectors the most important causes of the decline in the first months of the reforms were factors on the supply side—the severance of business ties to partners and breakdowns in supplies of raw material and components and also the overall socioeconomic instability. The Russian economy was still far from being sufficiently a market economy to be able to respond immediately to the radical changes in the external situation. Only the food industry—by virtue of the significantly shorter life of its commodity product—reacted most promptly to the decline in consumer demand by a reduction in the volume of production.

There was in February-March a brief adaptation of production based on a restoration of the traditional economic ties and the use of accumulated stocks. And the growth which was achieved was quite significant in a number of sectors, what is more. Food and light industry and also construction materials industry responded to the increased consumer demand with a growth in production—of 9.7 percent, 2.6 percent, and 0.6 percent respectively. The export possibilities which had been afforded stimulated an increase in the manufacture of products of ferrous and nonferrous metallurgy of 7.8 and 4 percent respectively. At the same time, however, the reduced demand for the products of mechanical engineering and metal working began to exert its influence, as a result of which their production in February-March declined 3.8 percent.

As of April and in line of ascent through August the impact of demand came to be reflected increasingly palpably in producer behavior. Market impulses reached fastest of all here the manufacturers of the end product—of food and light industry and mechanical engineering—and then spread along the production chains—with a lag of two or three months—of manufacturers of intermediate products—of ferrous and nonferrous metallurgy.

The intensive credit issue of the summer months together with the gradual untying of the debt problem led in September, first, to a slowing of the rate of decline in all industrial production—from 3.2 percent to 1.1 percent a month. Second, the overall decline throughout industry began to acquire the first indications of a structural nature. Ferrous metallurgy and fuel and food industry exhibited an unsteady trend toward a growth of production.

At the same time it should be recognized that profound structural changes in the Russian economy are only just beginning. Their accomplishment even in a more auspicious situation will take several years. There are no grounds for supposing that production has already

reached the "bottom" of enterprises' and society's effective demand. For this reason the slowing of the decline or the negligible revitalization of production even in certain sectors, which have occurred on an inflationary basis, have been of an unstable nature.

4. Unemployment

A decline in production brings about a release of those in work and a growth in the number of the unemployed, and a restrictive monetary policy leads, what is more, to a faster pace of manpower layoffs, an easing thereof, to a slowing of the growth of the number of unemployed. Whereas in the first five months of this year the number of citizens seeking work and registered with the employment service grew 9.6 percent a month on average, it increased 5.5 percent in June-September. Some 919 000 persons were registered with the employment service as of 1 October.

At the same time the level of unemployment does not at the present time, by whatever set of methods it is estimated, exceed 1-1.5 percent of the numbers of the able-bodied population. By any international criteria, and for such a structurally top-heavy economy as the Russian economy all the more, this level is most negligible. The absence of the mass release of manpower means that the severity of the financial restrictions is not as yet critical for the enterprises and that the process of structural reorganization is still in the most elementary phase.

5. The Problem of Savings

The development of the economic situation in the current year has sharply exacerbated the problem of savings which could be used as accumulation and subsequent investments.

The destimulating impact of the high rate of inflation has led to the proportion of deposits in the Savings Bank in the structure of personal savings falling steadily—from 65 percent in December 1991 to 33.8 percent in September 1992—and, simultaneously, to a growth in the proportion of ready cash in the hands of the populace—from 35 percent to 66.2 percent respectively. The structure of the increases in savings has changed even more rapidly. The proportion of the increases in savings in deposits and securities in the summary increase in personal savings declined in December 1991-September 1992 from 53.9 percent to 11.5 percent, and the proportional increase in cash grew from 46.1 percent to 88.5 percent respectively. The proportion of savings in deposits and securities in the population's monthly monetary income declined sharply—from 11.9 percent in December 1991 to 2.1 percent in April 1992. Subsequently, when the rate of inflation had declined somewhat, there was a negligible increase in this proportion—to 4.3-5.3 percent in June-July. After this, given the acceleration in the growth of prices and the increase in inflationary expectations, it once again declined to 3.4-3.5 percent in August-September.

The public prefers to amass its available monetary resources in the most liquid form of "hot" cash. A characteristic feature of the degree of society's inflationary expectations is the preservation at a high level (25-40 percent) of the proportion in monetary income of ready cash building up in the hands of the populace for use in "hot" purchases.

It is not only, however, a question of the relative diminution in the proportion of savings which could be used for long-term investments but also of the absolute decline in their actual amount. The speed of the inflationary depreciation of personal savings in Savings Bank deposits is appreciably greater than the constant nominal increase in them (at the level of R6-22 billion monthly). In nine months personal savings in the Savings Bank have depreciated in real terms eightfold and at the start of October 1992 constituted little more than 12 percent of the December 1991 level.

As far as the cash in the hands of the population is concerned, its increase as of April, following the decline in the level in real terms in January-March, has not only compensated for its continuing inflationary depreciation but has also increased the sum total in real terms by a factor of 1.9.

Thus under the conditions of the shortage of accumulation for investments the monetary resources which could be used to this end are, by virtue of the continued low rate of deposit interest, becoming "hot" money channeled into an as yet not entirely balanced consumer market.

6. Society's Living Standard

The price liberalization in January 1992 reduced individuals' purchasing power sharply. But a more or less stable trend of a growth of individuals' monetary income not only nominally but also in real terms has been observed in recent months.

A reflection of the growth in individuals' real purchasing power in the reform months (January-September) has been the increase in the extent to which the cost of the minimum consumer budget (a set of 19 most important food products) has been exceeded by the monetary income of the populace (from 113 to 220 percent), consumer spending (from 78 to 136 percent), and the average pay of workers and employees (from 203 to 336 percent).

Other evidence of the public's gradual adaptation in January-September to the new conditions has been the steady growth of retail commodity turnover in constant prices. Following a sharp decline (fourfold) in January, the volume of real sales in nine months grew by a factor of 2.2 and in September amounted to 52 percent of the level of the speculative December 1991 and 74 percent of the level of September 1991. In terms of its physical filling the commodity turnover of September 1992 corresponds to the level of the end of the 1970's-start of the 1980's, which is undoubtedly below the desirable level

but is no reason for a conclusion as to a catastrophic decline in the population's living standard.

7. Exchange Rate and Foreign Trade

The two main stages of economic policy have had different consequences in the currency sphere also. Having reduced demand for foreign currency, the restrictive monetary policy increased demand for the ruble so the first five months of the reform were characterized by an appreciable excess of the supply of foreign currency over the demand for it. This situation lowered the average monthly value of the dollar from R201 in January to R121-123 in May-June. The actual exchange rate (calculated with regard for the growth of domestic prices) grew by a factor of 13 and constituted in June R12.3 to the dollar (in December 1991 prices). The average pay of workers and employees recomputed in terms of the official exchange rate grew accordingly almost sixfold—from \$7 in December 1991 to \$41 in June 1992.

The accelerated growth of monetary aggregates as a result of the slackening of credit-financial policy led as of the start of summer to an increase in the liquid resources of the commercial banks, one-third of which (approximately R300 billion) was thrown onto the market to purchase foreign currency.

As of July a steady excess of ruble demand for foreign currency over supply has been taking shape, which has brought the value of the ruble crashing down and forced a leap in the average monthly value of the dollar to R220 in September, R338 in October, and R399 at the start of November.

As a reflection of the deterioration of the macroeconomic situation, the real ruble exchange rate measured in December 1991 prices fell by a factor of 1.6—from R12.3 to the dollar in June to R19.8 in October. In just the same way there was a decline also in average pay recomputed per the exchange rate—of 29 percent—to \$29 in September.

Also reflected in the dynamics of the exchange rate has been the propensity of the enterprises, clearly expressed with the liberalization of foreign economic activity, to accumulate assets in foreign currency, the amount of which is growing constantly, tying up the already limited currency revenue from exports. As a result the entry of foreign currency onto the domestic market is being held back, which is causing a decline in the value of the ruble and a reduction in imports. Despite the use of foreign credit to fund supplies of imported commodities, in nine months of this year the country's trade balance remained in surplus (by \$1.9 billion).

It has been possible in the current year for the first time in more than two years of continuous decline to stabilize the volume of exports at a level of just over \$3 billion a month. As a whole, however, the volume of foreign turnover declined by \$16.4 billion compared with the

analogous period of 1991, reduced imports accounting for \$6.3 billion of this, reduced exports, for \$10 billion.

The decline in exports here occurred, in the main, because of a winding down of a variety of economic and foreign assistance to other countries (2.5 billion) and the lowering of the price of traditional Russian export products (4.2 billion).

The reduced prices and efficiency of the exports of Russian enterprises has largely been a negative side effect of the extensive liberalization of foreign economic activity, given the virtual havoc in customs and currency control. The registration of organizations directly engaged in export sales of strategically important raw material commodities was introduced as of this June to neutralize this negative effect. In the interests of support of domestic manufacturing industry the government has this year held back exports of raw material commodities by means of both quantitative and tariff restrictions: merely exports of products with a relatively high proportion of value added have been fully liberalized. Subsequently, as the exchange rate of the ruble stabilizes, dependable customs and currency control is established, and the influence of the credit issue of the ruble and the monetary substitutes of other states of the ruble zone on the Russian currency market is eliminated, the remaining restrictions on the exportation of raw material commodities will be lifted consistently and the center of gravity of the regulation of foreign economic activity will be transferred to the regulation of imports in the interests of maintenance of the competitiveness of domestic enterprises.

Budget Deficit, Threat of Inflation Viewed

934C05484 Moscow KOMMERSANT in Russian
No 44 6 Dec 92 p.5

[Report by Sergey Zhuravlev and Aleksandr Ivanter: "The Wave of Inflation Will Possibly Soon Recede—If the Waves of the Anticrisis Program Do Not Engulf It"]

[Text] The results of budget execution for the first 10 months of the year issued by the Russian Ministry of Finance and obtained last week by KOMMERSANT experts indicate that the federal budget deficit, which has been the subject of most economic statements lately, fell 286 billion rubles [R] over the past two months, from R820 billion on 1 September to R534 billion on 1 November. The situation is unprecedented: phenomena analogous to the effects of the first quarter have occurred in quite different circumstances—under conditions of explosive price increases. The experts are suggesting that if the period of financial stabilization continues it will cause a slowdown in the rate of price increases at the end of the year and a marked change in the relationships of price shifts.

Why Has the Budget Situation Improved?

Back in September a course toward energy reduction could be seen in budget spending. According to the

experts, in real terms it was about 40 percent of the level in July and August. This led to an unprecedented (even against the benchmark of the "shock" in the first quarter of this year) positive consolidated balance (R122 billion, or 5.3 percent of the monthly gross domestic product; this was a norm corresponding to the IMF standards for countries emerging from crisis) and to a monthly republic budget balance for the republic (R104 billion, or 4.5 percent of the gross domestic product).

The strongest—38 percent nominal and 46 percent in real terms—was the reduced spending to subsidize sectors of the national economy, and the palpable cuts (about one-fourth in real terms) in defense spending and appropriations to maintain law enforcement and power and management organs. Essentially the only protected item was social spending, where the level rose slightly, although not significantly, as was expected in connection with the September decision to raise wages for workers in the budget-funded sphere.

In October the state of the budget continued to improve, now through expansion of its revenue. The main factor in the budget improvement was the sharp increase in revenue from value added tax and profit tax. Tax policy was obviously generating better results, partly thanks to the "semifreeing" of energy prices and partly because of the "semiliquidation" of the payment crisis, making it possible to direct a significant part of credit residues from reciprocal accounts into the budget. According to experts from the Russian Central Bank, of a total sum on the order of R500 billion remaining in those accounts before they were closed, almost half went into the budget.

An effect was also felt from the recalculation of profit tax according to actual results for the third quarter, which because of the sharp jump in prices rose almost as sharply, despite the re-evaluation of fixed capital made. As a result, in October alone R1 trillion went into the budgets at all levels, which is the equivalent, for example, of all revenues into the republic budget for the first eight months of this year.

Here, increased spending on the main items, except for spending to subsidize sectors of the national economy, was negligible, and even defense spending fell slightly. The expenditure side of the budget was again, as at the beginning of the year, "underindexed" relative to price increases. Thus, the explosion of inflation in October caused, as it were, a second session of shock therapy, similar to the one that occurred in the first months of 1992.

What This Might Mean for the Situation in the Economy. "Stop-Go" Policy Russian Style

Balancing the budget, even if it is temporary and achieved by transferring payments until later, which has already been included in the plan for budget spending, can for a time alter the macroeconomic situation quite sharply. This can be seen with particular clarity by comparison with the end of the year—a time of extreme

softening of budget and credit-and-monetary policy. In particular, from the results from August, when the amount of money rose 50 percent in a single month, it would have been quite possible to suggest that in one or two months the country's financial system would be on the brink of catastrophe.

It appears, however, that this time we shall manage to avoid a final breakdown into destructive hyperinflation. Since early autumn the Ministry of Finance has slightly increased its debt to the Central Bank to fund the budget deficit, but not by as much as was expected. Balancing the budget has also been favorable in that it coincided in time with a significant decline in requirements for centralized credits. The peak of the seasonal demand for them, associated with credits for procurements of agricultural produce and the urgent shipment of goods to regions of the Far North, also occurred in August. True, the consequences of the high demand can still be felt. The time gap between growth in total credit and the credits issued by the Central Bank is on the order of two or three months. So the present peak, when the economy is being inundated with relatively inexpensive credit (in the order of things today loans for enterprises are at 50 percent to 70 percent annual interest) must occur in October-November. However, in the future the rate of credit expansion should slow down because the "hot" demand for credit has been satisfied.

Finally, with Ukraine's switch to the karbovanets, the latest major source of money—the credit balance in interpublic accounts—should, by the logic of things, become somewhat more controllable. (True, Kazakhstan and Central Asia are in fact continuing to subsidize Russia on a major scale). At the same time, of the credit obtained from the World Bank, the Central Bank may sell \$250 million to commercial importers. Thus, the factors listed, working in different directions, are evidently coming together in the direction of improving the situation with respect to inflation. The start of this is being predicted for the end of this year and early next.

In addition, a cycle is being plotted in the development of the inflationary situation and stabilization actions by the government and the Central Bank. The cyclic nature of this is that the initial improving effect of the price shocks on the budget (devaluing its expenditure side, particularly the social part) has over time been encountering protests from enterprises, which are experiencing difficulties in marketing their output, and, naturally, sharp social dissatisfaction. Under their influence, strict stabilization policy is being moderated, and the sharp inflation that immediately follows is generating something like a "shock therapy" effect. This practice is known as "stop-go policy" and is quite popular in countries with an inflationary economy.

It appears that at the present stage of these processes (as long as no difficult to predict political circumstances interfere with their natural course) entrepreneurial strategy for late December and January should be built on a slight slowing in the rate of price increases.

The structural changes in price dynamics may turn out to be interesting. The end of December coincides with the end of the period for the issue of privatization checks, some of which will immediately be put on sale for cash. Therefore additional effective demand may be placed on the markets for foodstuffs and inexpensive clothing.

At the same time, the circulation of vouchers and subsequent secondary sale of shares of privatized enterprises will attract free financial resources from commercial structures. This will also cause a slowdown in the rate of increase for prices for typically speculative assets, first and foremost exportable petroleum products, nonferrous metals, and timber, and also elite consumer goods in inflationary demand.

Agro-Industrial Complex Faces Up to Winter Conditions

Parallels Between Today and Time of Troubles Noted

934A0446A Moscow KOMSOMOLSKAYA PRUDA
in Russian 9 Dec 92 p 1

[Article by V. Prokhvatilov under the general heading "Where Is the Peasant Supposed To Go To? On the 400th Anniversary of B. Godunov's Amendment to the Law on St. George's Day"]

[Text] The peasants are celebrating the four hundredth anniversary of the famous edict of Acting Tsar Boris Godunov on the abolition of St. George's Day not with an upsurge of labor, as in the past, but with political tension and economic collapse. After four centuries, there is another Time of Troubles in Russia: once again political orators thunder; once again, paths of agrarian reform are discussed.... By no means—Boriska Godunov did not enter into discussions. From the time that he was elected tsar at the Zemskiy Sobor, he ruled autocratically, and when he was introducing his own Godunov "shock therapy," he did not go to the people for advice. And, well, he ran into trouble. If we are to believe the historians, Godunov's government was doomed not so much by the intrigues of the boyar opposition, but most of all by two cruel crop failures in a row. Evidently, Tsar Boris had changed Russia's agrarian structure too abruptly.

Now in Russia, the ruler may be a Boris, but he is not a tsar, but a president. And that is why, even with all his extensive powers, private property in land can be introduced only by the Congress of People's Deputies (the rough analogue of the Zemskiy Sobor). Which is what the Congress did.

History teaches us, however, that one cannot fill one's belly on an edict. And since the Russian economy has taken a pretty bad turn since the times of Tsar Boris, even a good harvest today does not guarantee that there will be bread on the store shelves. Inflation is a little more frightening not only than a bad harvest but even

than the intrigues of the opposition. At least one can bargain with the opposition. But how do you make a deal with inflation?

Reasons for Farmers' Troubles Analyzed

934.10446B Moscow KOMSOMOLSKAYA PRAVDA
in Russian 9 Dec 92 p 1

[Article by Ye. Arakelyan under the general heading "Where Is the Peasant Supposed To Go To? On the 400th Anniversary of B. Godunov's Amendment to the Law on St. George's Day"]

[Text] In the first days of winter, prices are rising and agricultural production is falling. Although instead of the forecasted 94-98 million tonnes of grain, 109 million tonnes were collected (which is more than 700 kg for every Russian mouth to feed), we are again going abroad for grain—ours is mostly still on the farm. And what has been purchased, taking the low quality of the grain into account, is enough to take care of approximately half of our needs. The situation is the same with potatoes (in comparison with 1991, purchases have decreased by a factor of two) and with vegetables (purchases are at 60 percent of last year's level). On the private farms, winter preparations are in full swing—livestock is being slaughtered.

What is to be done? Land seems to have been parcelled out to everyone who wants it. Leaving the kolkhozes and sovkhoses is permitted. Orders are no longer given as to who is to plant, and where, when, how, and how much it is to be done.

But the core of our agrarian sector still remains the same—the kolkhozes and sovkhoses. Of those 109 million tonnes of grain that were collected this year, 106.2 million were on collective farms. True, some off them were reregistered to joint-stock companies and limited-liability partnerships, but in most cases that meant nothing more than a change in the sign hanging over the office door. All the charming attributes of kolkhoz-sovkhoz work were retained, the same inefficiency of labor and production cost. As usual, part of the harvest was snowed under. Our special correspondent N. Yefimovich informs us that in Kursk Oblast alone, 12,000 hectares of sugar beet, half of the sown sunflower, and four-fifths of the corn were not harvested in time. Taking into account the fact that there is theft on the farms themselves, and then more is lost in the storage, transportation, and processing—in these areas also very little has thus far changed—the total losses in our agro-industrial complex reach 50-58 percent.

Prices have soared for technology and fuel. Livestock raising has become unprofitable in principle. In such a situation, our kolkhozes and sovkhoses have had a very bad time of it—in the spring practically all of them found themselves on the verge of bankruptcy. And one got the impression that they simply would not be able to hold out until autumn. Meanwhile, they have not only held out, but they have collected more than 10 million tonnes

more grain than the government had expected. And they collected it on their own, for the first time in the past several decades. The accustomed student detachments and other patrons had become too expensive for many farms, and the Army today has enough to worry about without the rural areas. What happened? Nothing special: Today, grain is currency, and not the "wooden" kind. You can also trade it for needed equipment, and your own workers work a lot more briskly for grain. And the farms do not give grain to the government based on some very common-sense reasoning, learned from the sad experience of last year: The harvest is once a year, but prices rise all year round. So the kolkhozes and sovkhoses have mastered certain market principles completely.

The price "scissors" have put some pressure on the private farmers as well. In principle, they are still worse off than the collective farmers—after all, you have to stand on your feet. Meanwhile, in some regions a single tractor must do for as many as five or six private farms—there is no money for more than that, and credit—you just try to get some. It is clear that you cannot plow much land that way. And another, purely farming, problem has appeared: insufficient land. Since we do not have a land market at this time, many must content themselves with the parcel of land that they were allotted when they left the kolkhoz or sovkhos.

Still another new sector has appeared in our rural economy. Whose production the official statistics practically do not take into account. Meanwhile, today only an utterly drunken rural family does not keep some kind of poultry in the yard. And subsidiary personal plots, according to data of the government of the Russian Federation's Committee on Land Reform, have increased by almost 2 million hectares. And from those hectares everything is harvested and dug up—to the very last potato. And it will be stored with a minimum of losses.

So if the countryside does perish, it will be in its own particular way: with full grain-bins and no less full personal cellars. There is nothing fantastic about this—the countryside is adapting to the situation.

Oh, if only the government could manage to stabilize the ruble! In that case the farms, deceived in their inflationary expectations, would have a serious incentive to get rid of their stores.

It would also be reasonable to go over to a system of so-called forward and futures deals—in principle, such a variant is already being considered by the government. The idea is that the farmers would first get money, and in the spring they would buy everything they needed for the sowing, and then, in the autumn, they would pay up, filling the Motherland's grain bins. Understandably, there would then simply be no point to farmers' hoarding grain in their barns and cellars.

This year has shown that our countryside can work. There is nothing wrong with our citizens' ties to the soil.

or their sense of ownership—despite the skeptics' predictions. These qualities appeared immediately after there appeared a reason to demonstrate them. So there is some hope for a bright and satisfied future, after all. Will we just have the strength to wait that long?

Sugar Shortage Expected To Continue in 1993

934A04874 Moscow SELSKAYA ZHIZN in Russian
15 Dec 92 p 2

[Article by ITAR-TASS correspondent: "Sugar Without Intermediaries"]

[Text] For 1992, Russia's overall sugar requirement is estimated to be 7.5 million tons. Actually however, the food industry and retail trade may be supplied with not more than 6.5 million tons. These figures were cited recently by Boris Baklanov, president of the "Rosoptprodorg" Joint Stock Company, during the course of a specialized seminar.

According to him, a shortage of the sweet product is expected next year. During a discussion with an ITAR-TASS correspondent, he noted that difficulties are expected to arise in connection with sugar deliveries from Ukraine, owing to a lack of funds among such large-scale consumers as Moscow and Saint Petersburg. For example, the Russian capital is unable to pay for 14,000 tonnes that have already been delivered and contracts have been concluded for 430,000 tonnes. According to Boris Baklanov, the same thing may happen with sugar as occurred with meat from Ukraine which, because of non-payments, was sold by Kiev to other customers.

The seminar, organized by "Rosoptprodorg" jointly with the Swiss firm "Markrich," had as its goal that of finding a solution for the existing situation. Representatives from various oblasts of Russia and entrepreneurs were invited to attend this seminar in order to furnish them with assistance in establishing direct contacts with the sugar suppliers. The "Markrich" Firm offered its services. It has already supplied Russia with several hundreds of thousands of tonnes of sugar.

FITUR Official on 'Final Document' Capping Talks With Government

934105144 Moscow RABOCHAYA TRIBUNA
in Russian 18 Dec 92 p 2

[Interview with FITUR Council Secretary Arkadiy Solovyev by Valentin Loginov; place and date not given: "We Shook the Partner's Hand—While He Crossed His Fingers Behind His Back..."]

[Text] *RABOCHAYA TRIBUNA* has published the concluding statement on the work of the government's conciliatory commission and the Federation of Independent Trade Unions of Russia (FITUR). The government accepted many of FITUR's demands. No mutually accepted solution has been found for some of them,

however, despite a month-long negotiation. For instance, it is especially noted that FITUR does not agree with the "government" norms of consumption for goods and services included in the subsistence minimum, as well as the established minimum wage. What are its arguments, the readers ask? What "minimums" does it insist on? This is the topic of our conversation with FITUR Council Secretary, Candidate of Economic Science Arkadiy Solovyev.

[Loginov] In November, while the negotiations were underway, the president signed the Minimum Wage Law. The same day, the Supreme Soviet issued a decree dealing with some matters related to putting it in effect. A little earlier there was a government decree on raising the wages of employees of budget-financed organizations... May we assume, Arkadiy Konstantinovich that the trade unions—and first and foremost FITUR—have coauthored these documents?

[Solovyev] Of course, these documents may not have come through had it not been for long months of active work by our trade unions, especially the all-Russian action of protest on 24 October and the negotiations that began soon thereafter. The agreements are an important step in the social partnership. I would not overestimate the significance of these documents, however. How many edicts-orders have already been issued?! For instance, has the president's August edict on raising the wages of employees of budget-finance organizations been implemented? No!

At that time, in August, in my commentary on that edict for the *RABOCHAYA TRIBUNA* readers, I said openly that it was full of omissions and cunning. It had been long-awaited, and when, for instance, health care workers lost patience and went on strike, teachers announced a prestrike readiness, defense industry workers also were anxious because at the negotiations with the government they were promised that not only would the wages be raised, but they would also be protected from inflation. What happened, however, is that a freeze was put on wages, and the preparations for the introduction of a Standard Rate Table was postponed until the fourth quarter... The trade union demand at the time was to clearly establish the time frame for **putting the rate table in effect** and the sources of financing, and to revise the minimum wage for budget-finance organizations' employees taking into account the price index increases and wages in the industry.

[Loginov] Do the trade unions continue to demand the same thing now?

[Solovyev] Basically, yes. Because there is no guarantee that the latest agreements with Gaidar's government will be fulfilled, either. They have done everything to freeze the real (not paper) wage increases for budget-finance organizations' employees. In all government documents the next scheduled raises have been moved to the first quarter of the new year. Wherever there was some

miserable increase, it was only done through local budgets. Why then did they promise?

Nor can we be satisfied with the minimum wage of 2,250 rubles [R], as established by the November law. First, the figure is simply taken off the ceiling, it is not based on anything. Using minimum pensions as a benchmark? International acts and our legislation envisage that wages—as well as pensions, for that matter—must provide for minimum subsistence. This minimum even back in October—even the “physiological” one, calculated by the Ministry of Labor guidelines—amounted to R2,600-R2,800 (taking into account regional differentials it could be as high as R6,800). In our calculations, in October the nationwide average subsistence minimum was R5,800. Now it is much more.

[Loginov] In the circles around the government I heard that, as stipulated by the ILO Convention, the minimum wage guaranteed by the state must be determined taking into account not only the subsistence level, but also the limitations of the state budget...

[Solovyev] These are the Ministry of Labor's traditional excuses. They are unconvincing, though. It is true that some adjustments for the ability of the state budget to carry it are justified. But not when the people are given one-fifth or one-sixth of the money needed to lead a tolerable existence.

Taking as a basis the General Agreement for 1992 between the government, the trade unions, and the employers, as well as other agreements, we in the FITUR believe that “adjustments because of the budget” should not exceed 20-30 percent. Therefore we insisted at the negotiations on bringing the minimum wage to at least R4,000 as early as in the fourth quarter. In the end, we agreed to R3,375. This is very little today. Still, it is not the R2,250 the “generous” government promised in the first quarter of 1993. True, in the future, allegedly beginning 1 April, the minimum will be recalculated quarterly. Nice tale but hard to believe.

[Loginov] I have in front of me the inquiry of the members of the FITUR deputy group, sent through the Seventh Congress Presidium to the government. Eighteen people's deputies write that the procedures and the mechanism for recalculating the minimum wage have not been defined. Therefore, they demand appropriate explanations from the government. In addition, it is necessary, in their opinion, to clarify whether the actual January, February, and March price increases will be taken into account in the process.

[Solovyev] This is a legitimate inquiry. We warned the government in the course of negotiations that we will go to the Supreme Soviet for clarifications with respect to procedures and timing of wage indexing, since we anticipate inevitable price increases in the new year. It is time to stop feeding people with promises that then sink in the chaos of the actions of government bureaucrats, the extent of whose irresponsibility is unpredictable! In any case, we can already foresee that it will not be easy to

hold them to honoring the agreement. Just one little detail: In the process of approving the 1993 budget, the provision to set aside the money for wage indexation has been “overlooked”...

Everything, or almost everything we have previously agreed on with the government, in substance has all been in vain up till now. The government simply does not have an even minimally thought-out income and labor remuneration policy. In the past, everyone knew: We have slave labor conditions and a slave cost of labor. We were paid next to nothing for labor. But the government compensated for it somewhat through other channels. Today they tell the people that they should be paid as much as they earn. Fine, let us get rid of dependency! But then labor also should cost as much as it really costs at the labor market.

[Loginov] The FITUR is often accused of populism. It does not bother FITUR, they say, that a substantial raise in the minimum wage today means even higher prices tomorrow... A vicious circle?

[Solovyev] These are mostly propaganda tricks on the part of the authorities and of the court press with the purpose of disorienting the society that is trying to sort out the real causes of what is happening. There is no “vicious circle” here. It is true, the trade unions are demanding wage increases. But, make a note—not for everyone.

It is not the budget-finance organizations' employees, who are paid miserly wages, that fuel the inflation; rather, it is the monopolies (both individual enterprises and entire sectors) that are uncontrollably raising prices for their output. Also recall clearly opportunistic moves of the Gaydar-Yeltsin government, dictated by the desire to please someone for the sake of momentary gain in the political game. By the way, even now some pay increases—especially among the top-level people and the clerks surrounding them—stays ahead of price increases. Here you have the originators of the runaway inflation. Shall we “look” for more? It is not that difficult, provided there is a desire to resolve the emerging problems in a normal, sober way, without desperate experimentation, and to forestall the situations that are dangerous for the fate of reforms.

[Loginov] The shock experienced by the government during the work of the Seventh Congress of People's Deputies, and the personnel changes taking place in it will certainly be reflected in the tactics and the nature of its future actions. One wants to believe it will not be to the detriment of the reforms but rather for their good.

[Solovyev] FITUR also hopes for this. For the reforms to succeed, it is very important to make it so that they would be implemented for the good of the people rather than at their expense. Nor is civil peace in our country possible without a normal social partnership

Ryazan Oblast Acts To Curb Unlicensed Trade in Scarce Goods

93410487B Moscow *SELSKAYA ZHIZN* in Russian
15 Dec 92 p 2

[Article by A. Zholobov: "And It Is High Time!"]

[Text] The head of Ryazan Oblast has established a new trade system for a whole series of food and non-food goods. Henceforth, trade is forbidden throughout the entire oblast from booths, kiosks, tents and also from out of hand, from motor vehicles and from mobile shops, in such items as alcohol, vodka, champagne, beer, chocolate and in tobacco, leather, fur and other scarce products, all of which have fallen into the hands of speculators for the purpose of making easy money. Licenses are being introduced for trading in these types of products. These licenses can be sold only with governmental permission within a permanent trade network, with mandatory use of cash registers and only in the presence of accompanying documents which furnish the source of the goods and its wholesale price.

And, as is known, such sources are the producers of the goods and the wholesale bases.

Police Report Sharp Increase in Murders

93410487C Moscow *RABOCHAYA TRIBUNA*
in Russian 15 Dec 92 p 3

[Article by Natalya Kozlova: "Unlimited Brutality and We Do Not Know Who Is Capable of Stopping It"]

[Text] During six months of last year, the militia recorded more than a million murders or murder attempts. During the first half of this year, this terrible statistic increased by 22.9 percent.

The Tula small arms plant is operating at a feverish pace. It is not enough that life is becoming more expensive, or that wages have not been issued for a long period of time, but in addition we are confronted by a tragedy that shocks all of the plant's workers. In a militia report that is marked by the absence of strong expressions, it is stated: "The Prevezentsevy parents and their 14 year-old daughter were brutally murdered in their apartment." Only their son survived. He simply was not at home at the time.

The killer was apprehended. He admitted that he murdered the three individuals, including the child, because of "personal hatred."

Upon the completion of the investigation, which lasted several days, the militia went to the plant and provided the people with as much information as possible. I do not know if this made it easier for the latter. There was a time in the not too distant past when "family" murders were classified as all-union ChP's [extraordinary events]. Yes and they rarely occurred on one sixth of the earth's surface. Today they are almost an everyday experience.

In the subunit of the Ministry of Internal Affairs of Russia that handles these crimes, it is believed that in the recent past there has been a change towards a radical increase not only in the number of murders. The "quality" of these murders has also changed. First of all, our modern murderers are characterized by incredible brutality that simply was inconceivable yesterday.

The stratification and polarization of society and the fantastic amounts of capital that can be accumulated in an hour's time without having to work for it serve as constant motivation for tomorrow's murderers. In the attempt to somehow oppose dishonestly acquired capital, we are still losing in an ignominious manner.

Smolensk Oblast. From reports: "Alongside a road in the settlement of Kardymovo—the corpse of an individual named Izotova. On the outskirts of Prilesye Village—the corpse of an individual named Shkolnikova." The reports were issued within several days of one another. The victims were robbed.

This murderer was also apprehended. A search had been underway for two years for an individual named Kitayev, who had already been convicted and who had escaped from a colony.

All of his victims were subjected to violence. Specialists from the MVD [Ministry of Internal Affairs] of Russia use one word when describing murders carried out for sexual reasons—"explosion." We journalists have written hundreds and thousands of pages and still the militia has not been able to record these crimes. It is as though the law governing pornography, which provokes such "explosions," never existed.

Unemployed individuals are beginning to fill the ranks of murderers. The constant breaking up of the criminal groups is providing the morgues with more work. Only rarely do such break-ups take place without the spilling of blood. Today the gangs have developed to such a degree that the cities and rayons are crowded with them. Assassinations have become almost the norm. There are people and there is a price list. The prices may vary and not be very high. And they will be in rubles.

The majority of the murders in Russia are being carried out by citizens from a southern border country. This is particularly typical of Krasnodar and Stavropol krais. But even in these areas the search for criminals often fails to produce the desired results. The plan is a simple one—they come in from abroad and return the next night. It is impossible to search for them in a foreign and sovereign state.

At one time, our code contained a very important article entitled "Malicious Violation of the Passport Regime." The sanctions for such violations even included correctional work. The article was of considerable importance for Moscow and Saint Petersburg (Leningrad). It made it possible to control "casual workers" at an acceptable level. Those times have passed. With regard to murders

in Moscow that were organized or carried out by new foreigners, the militia also replies using one term—"without end."

If statistics are to be believed, one out of every three criminals are apprehended. There are many regions in Russia where such results occur only in dreams.

The crime wave can be subdued only by means of good personnel. This is not a new thought. Here recruitment is taking place constantly. But the fact of the matter is that personnel should not be recruited for the militia, such as is being done at the present time. Rather, they should be selected. If this is not done, we will experience a complete collapse. This fact is understood by many MVD leaders. But for some reason it is precisely these people who are failing to solve the problems at hand.

The number of murders being committed is increasing with each passing day. Moreover, it is alarming to note that middle echelon personnel are continuing to leave the militia. And often they join "the other side": a lack of social protection for the militia personnel serves to nourish this instability.

The outbreak of gangsterism in the country has already occurred. And we have conquered it. But not everyone can forget what has happened.

REGIONAL AFFAIRS

Shakhray's Task in Ingush-Ossetia Region Analyzed

934C05604 Moscow TRUD in Russian 10 Dec 92 p 4

[Article by Boris Karpov, staff member of the Russian MVD's Temporary Press Center in the Northern Caucasus.]

[Text] We met with Sergey Shakh-ray, head of the Provisional Administration on the territories of the North Ossetian and Ingush republics, immediately after the beginning of the operation to disarm illegal formations. It was carried out by internal troops of the Russian MVD [Ministry of Internal Affairs] with the support of Ministry of Defense units. In the operation's very first hours, a launcher with Alazan rockets, a cannon, mortars, an anti-aircraft unit and munitions were confiscated. Actions followed a "mirror" pattern—the Ossetian village of Zilga and the Ingush village of Dalakovo were blockaded simultaneously.

But how is the Russian vice-premier, whom some people here, behind his back, are calling "Moscow's regent in the Caucasus," working here?

"A military uniform becomes any man," I said to Sergey Mikhaylovich, "but isn't it more convenient for generals to command?"

"Yes," he smiled, "camouflage and a flack jacket are very convenient. I am living with the military in order to

emphasize once again my neutrality and independence vis-a-vis both of the conflicting sides. And besides me, representatives of dozens of Russian ministries and departments are serving in the Provisional Administration. We are a federal agency that is implementing the state of emergency regime in accordance with the edict of the Russian Federation president.

"Regime" is a harsh word, but recent events in the "hot spots" indicate that introduction of the state of emergency was a forced measure, necessary where blood is being shed and warring sides can be reconciled only by force, relying, of course, on reason and justice.

Chernobyl, the earthquake in Armenia—tragedies of the cruel elements, the consequences of which are still being dealt with to this day through the work of thousands of people—provided bitter experience, on the basis of which it was also learned how to work in coordinated fashion under emergency conditions. Then there were shocks of a different sort: Fergana, Osh, Karabakh, Abkhazia, the Dniester region and South Ossetia. You cannot cover up sites of armed conflict with a reinforced concrete sarcophagus.

In the first days of November, the Provisional Administration on the territories of the North Ossetian SSR and the Ingush Republic was headed by Russian vice-premier G. Khizha, who was replaced on 11 November by S. Shakh-ray by edict of Russian President B. Yeltsin. Evidently this decision was brought about by the emergency nature of the situation. And who, if not the head of Goskomnats [approximate expansion: State Committee on Nationalities], a legal specialist, and a native of the Northern Caucasus, to boot, is suited to come to the aid of those who have gotten totally tangled up in a ball of interethnic conflicts? Although Shakh-ray himself believes that the duties of chairman of Goskomnats should not include the supervision of the military and economic managers in zones in which a state of emergency has been declared. The level of the tasks determined the people capable of accomplishing them. Alongside the vice premier are working state committee chairmen, deputy ministers, and military commanders of the highest rank.

As of our first meeting, Sergey Mikhaylovich had been working for three weeks in the state-of-emergency zone, but his Provisional Administration was already a well-tuned mechanism. At a time when certain "willful" leaders in the Caucasus are making statements about some sort of secret levers of their own, and others are spending their time holding forth during permanent rallies, Shakh-ray, with the help of like-minded people, has been implementing the so-called "theory of small deeds." If a crime has been committed, an immediate command is issued to operational groups of the Ministry of Internal Affairs and the Procuracy General. People have been named to work with refugees, and representatives of the Provisional Administration are permanently present on both sides. Humanitarian aid has been shipped in—there are persons responsible for its delivery

in North Ossetia and Ingushetia. In Nazran the sanitary and epidemiological situation has become complicated, and qualified medical personnel from the medical support group are attempting to sort it out.

The head of the Provisional Administration is an gregarious person who made friends with the mass media from the very first days. Under him, a VESTNIK VREMENNOY ADMINISTRATSIIYA [BULLETIN OF THE PROVISIONAL ADMINISTRATION] has started to be published regularly, in which, besides official documents, interviews with administration officials and representatives of the peacekeeping forces are published.

Shakhrai has managed to get his administration's machine going, but it is having to be adjusted while under operation. A poor attitude toward the implementation of orders and a superficial outlook on the part of some people assigned from the center to the administration, as well as some local executives, are getting in the way. An analysis was made of the implementation of the decisions of the head of administration, and it turned out that one-third of them had not been implemented. Tough steps were taken—some Muscovites paid with their jobs, and not just their temporary jobs in the emergency region, but their main jobs in the capital. The president gave Shakhrai such powers.

One need not think that Sergey Mikhaylovich came here to "cut off heads." Those who came to the Caucasus not for a lark but out of desire to distinguish themselves in a "hot spot" always find support from him.

During the days I spent in North Ossetia and Ingushetia, I heard criticisms both of the indecisiveness of the troops and, on the contrary, of their excessive activeness. On one building I saw an inscription: "Russian occupiers, go home!" When I told Shakhrai about this, after a brief silence he stated—as usual, not loudly, but resolutely: "Russian troops came here on a peacekeeping mission, not as the troops of a foreign state. They are operating on their own territory. For hundreds of years Russians have lived here and will continue to live here. The Northern Caucasus is a zone of Russia's priority interests—that is the point of departure of all our work here."

The state of emergency is a forced, temporary measure. The administration is also called temporary or provisional. But Sergey Mikhaylovich knows that the peaceful life of the whole region will in many respects depend on how he and his team work. That is why, in addition to disarming the fighters, settling refugees and returning hostages, he also thinks about the future of Russia's two neighboring republics. As the 36-year-old vice-premier of a great state, he feels distressed today as never before. And the state is convinced, Shakhrai declares, that Russia's greatness is determined by the peaceful existence and prosperity of all the peoples making it up.

Former Secretary Alleges Dudayev Retinue Composed of Criminals

934C0559C Moscow KOMSOMOLSKAYA PRAVDA in Russian 5 Dec 92 p 1

[Interview with Maryam Vakhidova, former personal secretary to the president of Chechnya, conducted by L. Krutakov: "Retinue Plays King"; date and place of interview not given]

[Text] **Maryam Vakhidova, disgraced personal secretary of the president of Chechnya, decides to tell the truth about Dudayev's retinue.**

[Vakhidova] In early 1991 a split occurred in the All-National Congress of the Chechen People (ANCCP) on account of the lack of a leader. The intelligentsia quit the congress and formed an opposition. Dudayev assumed leadership of the presidium of the executive committee of the ANCCP. At that time I was working as a secretary of the executive committee, and for all practical purposes I myself prepared the documents of the Congress's second and third conventions.

[Krutakov] And when did the first disagreements occur between you?

[Vakhidova] There were disagreements every day. After the split in the ANCCP, Dudayev found himself surrounded by former criminals. I fought them virtually alone, and "they" felt that my influence on Dzhokhar was ruinous for them. Then I decided to persuade the intelligentsia that they should support Dzhokhar. I went to Estonia and made a film about Dudayev. Russia spoiled everything.

In November 1991 the special-purpose militia staged an assault at Khankala. The opposition forgot their disagreements with Dudayev's aides, and the whole republic united in the face of the threat of a Russian invasion. Dzhokhar became president, and the criminal train of his retinue extended into state structures.

[Krutakov] And when did the final break occur?

[Vakhidova] I was still fighting. Dzhokhar believed me, and we would meet only alone. It was possible to get rid of the most tendentious individuals. But gradually I started to be pushed away from the president. Provocations began. The explosion of the MVD regiment and theft of weapons in February, the attempted armed coup d'etat on 31 March, the explosion at the television tower. The threads of all these provocations led to the president's criminal retinue. After each accident, "they" would receive new offices and stars.

The president continued to listen to me, but he was no longer hearing me. Dudayev gave me to understand that "they" were stronger.

[Krutakov] Have you not tried since that to meet with the president?

[Vakhidova] I do not want to. I am afraid that he will persuade me to return. He was constantly trying to persuade me: "Hang on a couple of months, and 'they' will leave. Life itself will get rid of 'them.'" Now only a new revolution could remove "them" from their offices. But I have no intention of summoning anyone to take up the axe. What is needed here are janitors, not hangmen. Dzhokhar is a smart man and understands that I had no other choice, just as he would not have, if he were free to make a choice. We always understood each other immediately. Today circumstances are greater than he is. And that is his misfortune.

[Krutakov] You keep saying: "they" and "them." Who are "they"?

[Vakhidova] Practically the whole government and parliament have been corrupted.

[Krutakov] But more specifically?

[Vakhidova] I can be more specific. But I want to warn you: everything that I will speak about has already been published in the local press. Otherwise, I will not be understood. When I work in my native republic, I fight for its good. Articles in the central press will be taken as treason and aiding and abetting the KGB. And now to be more specific:

Ilyaz Arsanukayev, former warrant officer and now commander of the National Guard of Chechnya, and in the absence of a regular army, the de facto commander of the republic Armed Forces. When the ANCCP was founded, he turned out to be the only military man, and he was given the job of forming the guard. After the total mobilization declared by Dudayev in September 1991, Maj Ibragim Suleymanov came to Chechnya from Kirgizia and offered his services, but Arsanukayev gradually put him down. On 9 November Dudayev signed an edict creating the republic Armed Forces, and career officers from lieutenant to colonel came to Chechnya from the entire CIS. Many people in Grozny were glad that order would finally be imposed in the republic, which was overflowing with weapons. But apologies were made to the officers, and they were all sent back. The only one who remained was Col Musa Mirzhoyev, for preparing the physical facilities and equipment for the future army. Arsanukayev managed to link Mirzhoyev's name with the incident in military camp No 15 and send him into retirement.

After the 31 March coup attempt, Arsanukayev was promoted from warrant officer to major. After the explosion at the television tower, he was put up for colonel, but Lt Gen Viskhan Shakhobov, Commander in Chief Dzhokhar Dudayev's first deputy, refused to sign the order. After Abkhazia, Dudayev himself signed the promotion to colonel. I think that after the confrontation between Russian and Chechen troops on the border, Arsanukayev will become a general.

Abu Arsanukayev, Ilyaz's brother, head of the National Security Committee, was known before that in Grozny

as a taxi driver and roasted chicken vendor outside the main post office. After taking over as head of the national guard, Ilyaz Arsanukayev had to quit as a member of Dudayev's personal guard, and he summoned his merchant brother from Moscow. After one anxious night on television—and we are masters at creating them—Abu ended up on the president's guard. And since he turned out to be the eldest among the guards, he soon became the most respected and the only one to whom the president's life could be entrusted.

Abu became Dudayev's evil shadow and, at the same time, Ilyaz's informer. Now Abu Arsanukayev heads the president's Security Committee.

Umal Alsultanov, minister of internal affairs under Zavgayev. In August 1991 Alsultanov requested from Dudayev (former head of the Russian MVD) an MVD regiment to break up the ANCCP. After being refused, he "got sick" for two months, and on the day of Dudayev's inauguration Dudayev called on the whole militia to take an oath to the president, and he returned to his office. The release of criminals from the Grozny preliminary-detention facility is on his conscience. He is now Dudayev's national security advisor.

In the first days of the presidency, Alsultanov hired an English-language interpreter for Dudayev. Prior to that she had been in the Grozny preliminary-detention facility for having served as an advance scout for apartment robberies, and for poisoning. No was made to arrest her until March 1992. And only when I told Procurator General Elza Sharipova that if something happens to Dzhokhar, it will not be "their" heads but yours that will be lost, was the "interpreter" arrested. I will not give her name; her trial will be held soon.

Richard (a nickname) has served time repeatedly, serves on the president's Security Committee.

Umayev—the republic National Security Committee. He once escaped from investigation in connection with a case involving the rape of a minor girl. He was wanted throughout the country while simultaneously serving on investigative agencies in Moscow.

Mavladi Udugov (formerly Temishev), ex-convict, republic minister of the press and information. He installed his cousin Musa Temishev as editor in chief of the government newspaper ICHKERIYA.

Mavladi Dzhabrailov, ex-convict, commander of the presidential guard. He was recently arrested with a KamAZ truck fully loaded with assault rifles. The criminal case was closed and the investigative committee broken up.

One could continue the list endlessly.

[Krutakov] Do you realize that after everything you have said, a cornice may "accidentally" fall on your head?

[Vakhidova] I understand everything perfectly well. But we in the republic have a principle of "nuclear deterrence"—blood revenge. My bothers have already warned "them" that if something happens to me, they will know who did it. Then, if we do not talk about our own ills, Russia itself will make a diagnosis and undertake to treat us.

Chechens will never permit order to be imposed in their home from outside. Who, if not Russia, should know that? We have learned to die; if only we could learn to live.

[Krutakov] You don't want to leave?

[Vakhidova] Some people would like that very much. I am too much a Chechen to leave here.

Ossetian Supsov Head on Need To Resolve Prigorodny Rayon Stalemate

934C0558A Moscow NEZAVISIMAYA GAZETA in Russian 5 Dec 92 p 3

[Article by Radik Batyrshin: "The Question of Prigorodny Rayon Should Be Removed Once and for All: Believes Akhsarbek Galazov, Chairman of the North Ossetian SSR Supreme Soviet"]

[Text] The speech by Akhsarbek Galazov, chairman of the North Ossetian SSR, at a press conference in Moscow on 3 December was traditional. Its theses can be characterized as a "concentrate" of the North Ossetian SSR leadership's position on the conflict:

1. It is not an interethnic conflict but "treacherous aggression by Ingush national extremists against the sovereign North Ossetian SSR," and "the guilty parties must be sought on the territory of Ingushetia."

2. The territory of the northern North Ossetian SSR is inviolable (according to Article 80 of the Russian Federation Constitution and Article 3 of the Federal Treaty, the status and territory of republics cannot be changed without their consent). Dialogue with the Ingush side is possible on the condition that "the question of Prigorodny Rayon is removed once and for all." "We do not accept talk about the federal administration of Prigorodny Rayon or the institution of direct presidential rule there, since it is contrary to the Russian Federation Basic Law," stressed Galazov.

3. Article 6 of the Russian Federation Law on the Rehabilitation of Repressed Peoples (territorial rehabilitation) is "absurd from a political standpoint and groundless from a legal one." The Russian parliament should "admit its mistake and remove this article from the law."

4. The Law on the Formation of the Ingush Republic was passed hastily, since it does not indicate the boundaries.

"Compromise is impossible today, because there are no governmental structures in Ingushetia," Galazov

believes. "Today it is necessary to create the conditions for the accommodation of refugees in Ingushetia, although they cannot be compared to the Ossetian refugees from Georgia, because we have never forced anyone to flee." Moreover, Akhsarbek Galazov deems it necessary to create an economic base for Ingushetia. In his opinion, "it is too early today to speak about the return of the Ingush." Galazov attributed this to the lack of guarantees of safety. "Thus, this is the third year now that we have been unable to return Ossetian refugees from internal regions of Georgia, not because the new Georgian authorities do not want it, but only because no one can guarantee their safety." Touching on the recent proposal made at a press conference by Torez Kulumbekov, chairman of the South Ossetian Supreme Soviet, to make South Ossetia part of Russia, the speaker of the North Ossetian parliament called it natural. In this connection, Galazov opposed any redrawing of borders in the former USSR. In his opinion, "at this stage the sovereignty of the republics of South Ossetia, Abkhazia and Adzharia within the Georgian Federation must be recognized." He emphasized: "If Georgia's leadership undertakes a second round of war, our South Ossetian brothers will not remain alone. Anyone who attacks South or North Ossetia will have to deal with a unified Ossetia."

Understandably, the resignation of Yegor Yakovlev, of which Akhsarbek Galazov was the initiator, did not go without attention. The chairman of the North Ossetian SSR Supreme Soviet stressed that he had twice sent telegrams to Poltoranin, Poptsov and Yakovlev protesting against the "keeping the fact of aggression quiet"; the lack of any reaction "made us angry, which was the reason for the Russian president's edict."

Speaking of the meeting that was held on the same day between Boris Yeltsin and the republic leaders and heads of local administration, Galazov said: "We will support the president, the government, the Supreme Soviet and the candidacy of Yegor Gaydar for the office of head of the cabinet of ministers, but if Gaydar does not get in, I have another candidate." Who that "other" candidate was, Galazov did not say.

Military Council Created in N. Ossetia, Ingushetia

934C0559A Moscow SOVETSKAYA ROSSIYA in Russian 15 Dec 92 p 3

[Unattributed article: "Vladikavkaz"]

[Text] A military council has been established under Sergey Shakhrai, head of the provisional administration on the territories of the North Ossetian SSR and the Ingush Republic. The purpose of establishing the council is to work out coordinated decisions on maintaining the state of emergency regime, and to provide for law and order and the protection of citizens' rights and interests.

By order of the head of the provisional administration, all military formations of the Russian Armed Forces and

MVD [Ministry of Internal Affairs] and the North Ossetian MVD located in the zone covered by the state of emergency are subordinate to Lt Gen Ivan Strogov. As of 13 December, the movement and utilization in operational troop measures of units and subunits of company level and higher are to be carried out only with the consent of the head of the provisional administration or his deputies.

The situation in the state-of-emergency zone is being monitored but remains difficult. For several days now no exchange of hostages has taken place. The mixed commission for identifying illegally detained persons and searching for those missing in action, and also operational investigative groups have been conducting searches at specific locations.

As reported to ITAR-TASS correspondents at the headquarters of the provisional administration, the Russian Federation Rosgosstrakh [approximate expansion: Russian State Insurance Committee] has drawn up lists for the payment of insurance compensation for destroyed structures belonging to citizens of Ingush nationality. The list includes more than 3,500 farms.

Retired KGB General on Earlier Ossetian-Ingush Conflicts

934C05354 Moscow NEZAVISIMAYA GAZETA
in Russian 3 Dec 92 p 3

[Article by Radik Batyrshin under the heading "Eyewitness": "Even KGB Personnel Among the Chechen Did Not Always Follow Orders: A KGB General Talks About His 11 Years in Grozny"]

[Text] *From the summer of 1974 through the fall of 1985 Maj. Gen. (Ret.) Viktor Belozеров was chairman of the Chechen-Ingush ASSR KGB. So the story he has to tell will provide some interesting illumination on current events in the Northern Caucasus.*

[Batyrshin] You became head of the republic KGB after the "mass unrest" of 1973...

[Belozеров] At that time the Ingush drove into Grozny, assembled on the square and set up a podium. At various times up to 10,000 people gathered there. Food was trucked in to them. Their principal demands were the return of North Ossetia's Prigorodnyy Rayon, admission of the Ingush to power structures, and return of or compensation for property lost when they were deported. But I am convinced that the main issue bothering them then, and the one that bothers them now and will continue to do so in the future, was Prigorodnyy Rayon.

[Batyrshin] How many Ingush were prosecuted at that time?

[Belozеров] Only a few individuals, because they did not commit any particular acts of hooliganism. And despite

the fact that our service, the MVD and the obkom attempted to find those who organized the assembly, we were unable to do so.

[Batyrshin] ???

[Belozеров] I believe the reason for that was that those who organized the mass unrest were directly linked to persons in positions of power.

[Batyrshin] And in 1982 "mass unrest" erupted in Vladikavkaz as well...

[Belozеров] In that case the North Ossetian SSR obkom was seized and military personnel beaten, and attempts were made to break into the Vladikavkaz MVD Internal Troops School, the MVD itself, and a prison. Tens of thousands of people participated in these acts. Things got so out of hand that people standing on the pedestal of the Ordzhonikidze monument "shelled" unarmed soldiers standing guard around the North Ossetian obkom with chunks of granite.

[Batyrshin] Were the Ingush involved?

[Belozеров] It was primarily a demonstration by the Ossetian population against the party obkom. But an insignificant portion of the Ingush living in the republic decided to take advantage of the opportunity. Our service, after learning that the *teypy* [clan groups] within the territory of the Chechen-Ingush ASSR were beginning to uncover their weapons caches, proposed that an appeal be made to the religious authorities, asking them to prevent the Ingush from attacking the Ossetians. At first that suggestion was received negatively: how could the Soviet authorities bow to the clergy, particularly a non-Christian clergy? But after we won the support of Aleksandr Vlasov, Chechen-Ingush ASSR first secretary, we sent KGB officers to a renowned religious authority, Ilyas, a follower of Sheikh Dina Arsanov. He was head of the very large Dina Arsanov religious community. A number of individuals from that group held high posts in the republic. Ilyas promised my officers that he would take measures. I do not know what he did, but from our field reports it is clear that not a single member of that group crossed the Chechen-Ingush ASSR border. Then we gathered together the clan leaders and explained to them the consequences that could result from Ingush involvement, particularly armed involvement, in the unrest. They immediately went out to the roads linking Checheno-Ingushetia with North Ossetia. The elders had only to raise their staffs, and any vehicle would stop...

[Batyrshin] You mentioned "caches." Does that mean that even then the Chechen and Ingush had secret stockpiles of weapons?

[Belozеров] Quite a few of them, in fact. Firstly, there were weapons from the Great Patriotic War, including submachine guns and machine guns. Secondly, those peoples have a tremendous zeal for firearm acquisition. Using their connections, and for large sums of money, they bought up weapons from all over the country (for

instance, there was a case in my time when dozens of pistols and machine guns were obtained by them from a warrant officer in Leningrad Military District). Once again, we had to bring in religious and clan authorities to get those weapons back. All the weapons in the republic were returned.

[Batyrsin] Did today's so-called "Chechen mafia" exist at that time?

[Belozerov] I cannot say that it did. I think this phenomenon should be considered from the standpoint of clan ties and membership in religious groups. Checheno-Ingushetia differs markedly from a majority of countries where Islam is practiced. It had 32-34 religious groups of the *myrud* type. For instance, there was the Dina Arsanov sect, the Ali Metayev sect, the Zikrists, and so on. And those groups were represented on a parity basis in the Chechen-Ingush ASSR's power structures, as were the *teypy*, the associations of clans and tribes. Of course, not all of them were represented, but efforts were made to ensure proportional representation of the *teypy* in government posts. Naturally these were efforts on the part of the *teypy* themselves, not the authorities.

I am firmly convinced that prior to 1980 party and soviet organs took the wrong approach to the Chechen and Ingush peoples. This was especially true when it came to staffing administrative positions in soviet power structures, and our failure to consider the fact that the Chechen and the Ingush practice Islam. For instance, we were visited by representatives of the Chechen-Ingush diaspora in Jordan (incidentally, a very influential community). There were members of Western intelligence services among them, primarily British intelligence. In contrast to us, these were top-flight specialists, because to a significant degree they attempted in their work to become familiar with the spirit of the people and their religious beliefs. And never to violate their customs and traditions. Our weakness lay in the fact that a majority of our colleagues, even those in counterintelligence, paid virtually no attention to those aspects.

[Batyrsin] How many officers of the Chechen-Ingush ASSR KGB spoke Chechen or Ingush?

[Belozerov] Among the Slavs, Armenians and Georgians there was not a single individual who spoke the native language. But we were working in that direction. In 1974, when I was appointed committee chairman, we had 10-12 Chechen and Ingush on staff. Eleven years later, at the end of my tenure, they comprised 16 percent of the Chechen-Ingush ASSR KGB.

[Batyrsin] And could they flout the traditions of their *teyp* and their religion when it suited your purposes?

[Belozerov] No.

[Batyrsin] Not even KGB officers?

[Belozerov] That's right. They could not openly commit treason, but subordination within each *teyp* was in some

cases more important to them than their subordination to me. In most cases, perhaps. They could not reveal official secrets, but...

[Batyrsin] How about revealing *teyp* secrets?

[Belozerov] Usually they would warn me, saying: "Comrade general, I cannot perform my duties in this case."

Incidentally, one of our committee's tasks, in addition to its traditional functions, was to prevent feuds. In the 11 years that I spent in Grozny we had reports of approximately 15 vendettas. And the feud principle was "escalating response" rather than "an eye for an eye."

[Batyrsin] What is your opinion of the center's ethnic and religious policy in Chechnya?

[Belozerov] I must emphasize that for more than two centuries the Chechen have regarded the Russians as conquerors. Throughout the Soviet period party and soviet organs in Checheno-Ingushetia openly fought Islam. In 1974, when I arrived to begin my assignment in Grozny, there was not a single mosque there. Muslim believers met secretly in private homes, using young people as guards. Yet at the time there was an Orthodox church ringing its bells on Grozny's main street, Lenin Boulevard.

[Batyrsin] What is your opinion of the current Ossetian-Ingush conflict?

[Belozerov] There are several reasons for the desire of the Ingush to recover Prigorodnyy Rayon. The Ingush people have a highly-developed sense of attachment to the land where their ancestors are buried. They imbibe that with their mothers' milk. For example, the Chechen and Ingush who had the money to do so brought home the remains of those who died in exile and interred them in their homeland. In addition, North Ossetia's Prigorodnyy Rayon was one of the most fertile parts of former Ingushetia. It, along with Mozdok and Stavropol, was given to Ossetia so that Ossetia could feed itself. The third reason is that the Vainakh peoples have since ancient times raided adjoining territories and taken prisoners. And they have come to have a historical sense of superiority over other peoples, including the Ossetians. But suddenly they see the Soviet government treating them better than it is the Chechen or Ingush...

In the past they have used every means, legal or otherwise, to acquire residence permits in Prigorodnyy Rayon, increasing their presence on the sly. Furthermore, the southern part of Ingushetia can only be reached via North Ossetia's Prigorodnyy Rayon. In the Ingush view of things, that is abnormal. Therefore I believe that the Ingush are not about to calm down.

Tensions Due to Bashkortostan Ministers' 'Revolt' Against Premier

934C0532B Moscow ROSSIYSKIYE VESTI in Russian
11 Dec 92 p 2

[Article by Vladimir Kulikov: "Waiting for the Outcome 'Rebels' in Bashkortostan Opposing Their Own Prime Minister Have Won—but Will It Be a Pyrrhic Victory for Them?"]

[Text] The government crisis in Bashkortostan which developed over a month ago following the move made by 11 members of the Cabinet of Ministers against their own prime minister is clearly continuing. At the very least the republic's Council of Ministers, sent into retirement in its entirety at that time after a rapid and decisive consideration of the conflict by a Supreme Soviet session, will be forced to keep working and wait to see what its fate will be until at least 22 December. That was the deadline given to Anatoly Kopsov, the new head of the Cabinet, to choose his team. The old ministers, including the "rebels," have been asked to continue performing their functions, all the while trying to guess who will be picked by Kopsov, and on the basis of what criteria.

This story got virtually no coverage in the central press, probably due to the fact that it coincided with pre-congress skirmishes in Moscow. So it would be appropriate to briefly go over its sources. Especially since its twists and turns in my opinion reflect a whole bundle of currently typical points of contention at all levels of government in Russia.

On the eve of the fall session of Bashkortostan's parliament a group of ministers and two of the premier's deputies asked the Supreme Soviet Presidium to discuss their resignation before the deputies' forum. They based their request on the impossibility, due to fundamental considerations, of continuing to work with the new head of government. The "rebels'" grounds for this had in their opinion accumulated beyond the tolerable limit, ranging from Marat Mirgazyamov's bureaucratic, apparatchik-like style to his political "Bonapartism."

Some people in the republic and some deputies saw this as a behind-the-scenes ploy: everyone knew about the power struggle going on between the leaders of the legislative and executive branches, as well as the smoldering conflict at the upper level between supporters of moderate and more radical versions of Bashkortostan's sovereignty. There were also many who supported the ones disturbing the peace—especially among those who were closest to the executive branch trough and had an opportunity to see the dynamics of the conflict up close. The session of the people's elected representatives at which the matter was brought up reasoned in an emotionally simple fashion: let both the guilty and the innocent resign, and let the new premier sort things out. At that time the eleven involved also heard themselves called "traitors" and were accused of "not wanting to work."

Political motivations probably did play a role in Mirgazyamov's removal. But here is the question: which specific ones, and in what proportion to other motivations? The fallen premier himself stressed at a press conference following his resignation that "my departure should not serve as an excuse to incite interethnic hatred: replacement of the Cabinet is, in a democracy, on the whole an ordinary occurrence, and this situation should not be overly dramatized." However, when he demonstratively refused the posts he was offered in exchange for his previous one he seemed to be hinting to his supporters that he saw himself as a victim of exclusively political intrigues.

However, the ministers' October move had a fairly long prehistory. It began in November of last year, when Bashkortostan was considering the introduction of a presidency and even scheduled, and then subsequently cancelled, presidential elections. At that time Marat Mirgazyamov was among the candidates for the top post. Since the beginning of this year the idea of becoming head of state, his opponents claim, has completely consumed the ex-premier. Therefore virtually everything the Council of Ministers did came to a large extent to be for show only, and in some instances was blatantly propagandistic and campaign-oriented. Simultaneously a purposeful confrontation between the premier and the Supreme Soviet leadership began to unfold.

As spring turned to summer, seven of the current "rebels" protested before the Council of Ministers against an ultimatum delivered by the premier: if the parliament session adopted a constitutional amendment confirming the Supreme Soviet's role as the legislative, administrative and controlling organ, then he would himself resign. At that time the ministers spoke of the need to seek compromises, not grounds for hostility. At the time, according to them, it seemed to them that a frank "man-to-man talk" on the council would cool the premier's ambitions.

But what followed was the next round of struggle for the hypothetical presidency. There were weeks which the premier spent simply giving press conferences and extensive interviews, while his subordinates waited in vain in his outer office, seeking answers on practical matters. As fall drew near and the parliament imposed a moratorium on all elections until expiration of the current governmental authority's mandate, at a regular Council of Ministers session Mirgazyamov flatly accused the Supreme Soviet leadership of adventurism and attempts to thwart him, the premier, personally. Everyone who knew Marat Parisovich realized that the confrontation with the legislative branch was reaching its peak. That was when the 11 Cabinet members rose up in opposition to him. And when their appeal went unheeded, they submitted their resignations.

These are, so to speak, the global political reasons for their move. But the "rebels" feel that there are others which are just as important. In their opinion, Marat Mirgazyamov's style was a direct carry-over from

Komsomol and CPSU cabinets, where he spent his entire career prior to becoming premier. The essence of that style is reliance solely on the apparatus. Like in the old days, many things were born and died in the offices of Council of Ministers departments, among papers and agreements. For instance, without any consultation with the ministers a reorganization took place in the government structure, with a number of Council of Ministers structures being shifted to a commercial basis. When numerous comprehensive programs were adopted, even the ministers directly affected by them often found out about them 10 minutes before they were to be approved, following the principle that once a department has done the preparatory work, the program must be carried out.

For example, when the tactics and strategy of agricultural policy were being worked out, the premier gave the assignment only to the Council of Ministers Agriculture Department, bypassing the corresponding ministry. The result was massive confusion. Before planting season began a decree was adopted at the department's initiative, terminating state orders for agricultural produce and developing private farming, a decree that the Supreme Soviet was soon thereafter forced to rescind, as rural areas were threatened with losing everything just at the height of the farm season.

Or take health care. Minister of health Alfred Tryanov was assigned by the premier to aid in the implementation of the Law on Insurance Medicine, which had been approved by the Supreme Soviet, but here is how the situation now stands: neither the Ministry of Finance, nor the tax inspectorate, nor other Council of Ministry departments have been brought into the process, which cannot proceed without their assistance.

It is noteworthy that virtually all the "rebels" were heads of social ministries: health care, public education and culture. One of the deputy prime ministers who raised his voice in protest also oversaw social matters. It is also curious that these ministers were among the ones who have managed to accomplish something in their respective fields, even under the current difficult conditions. Local medical personnel take justified pride in the fact that over the past five years the republic's infant mortality rate—one of the key indicators of the state of health care—has decreased by five percent, and that Bashkortostan holds a respectable position within the Russian Federation in terms of its health care. Through the personal efforts of minister of culture Salavat Aminov the Tatar National Theater recently opened—a particularly encouraging fact at a time when the republic is showing definite tendencies toward ethnic separatism. First deputy premier Aleksey Kharlov, minister of agriculture Ismail Gabitov and many others of those who caused the disturbance are greatly respected in professional circles. Finally, there is one other highly significant detail: the "rebels" explained their unwillingness to work with Mirgazyamov in a very simple manner: they want to engage in less political struggle and do more actual work.

That advice is the goal of these comments: to remind Bashkortostan's people's deputies—the ones who sooner or later will have to confirm the newly-appointed cabinet members—of the truth that politics is one thing, and real work quite another. It seems to me inappropriate, even in the heat of polemical debate, to call those who want to and are capable of doing that work "traitors."

Bashkir Supsov Chairman Calls for Stability

934C0559B Moscow SOVETSKAYA ROSSIYA
in Russian 12 Dec 92 p 2

[Article by staff correspondent M. Merzabekov: "Do Not Allow a Split"]

[Text] Murtaz Rakhimov, chairman of the Bashkortostan Supreme Soviet, addressed a statement to the republic's citizens that stated, in part:

With you, we are closely following the course of the Seventh Congress of Russian Federation People's Deputies. The first days of its work passed, on the whole, in a businesslike and constructive atmosphere. Unfortunately, the situation became sharply exacerbated following the statement by Russian President B. N. Yeltsin. This is arousing concern and uncertainty in people. The turn development of events at the congress must not result in an exacerbation of the political situation in our republic. At present we have, to a considerable extent, managed to consolidate political forces in society and to maintain stability, peace and national accord. Whatever the turn of events, we will be guided by the Constitution of the Republic of Bashkortostan, the Russian Federation Constitution, and the legislation of our republics. In turn, we will also demand this of all political parties and movements, public organizations, and citizens.

Criminality Rises Alarmingly in Tula

934C0532A Moscow PRAVDA in Russian 5 Dec 92 p 1

[Unattributed article: "According to the Laws of Wartime"]

[Text] The Tula militia has begun operating according to the laws of wartime: the chiefs of all services under the city internal affairs administration and rayon internal affairs departments have been instructed to cancel all leave days and vacations in December. Personnel currently on vacation are being called back in. All militia and internal affairs administration personnel have been assigned 12-hour shifts, and special operations groups for immediate response to citizens' calls have been established. These measures, commented General N. Panarin, head of the internal affairs administration, were prompted by the acute crime situation. Over the past 10 months alone there have been 238 murders (there were only 109 in all of 1988), and the number of thefts of state property and other property has risen by factors of three or four.

Stavropol Cossacks Want Alliance From Stavropol to Caspian Sea

934C0532C Moscow NEZAVISIMAYA GAZETA
in Russian 28 Nov 92 p 3

[Unattributed article under the heading "Stavropol Kray"]

[Text] The Stavropol Kray Union of Cossacks has declared that it is necessary to reestablish the Caucasus Cossack Line, which once united Cossacks from the western boundaries of Stavropol Kray to the Caspian Sea.

As it is envisioned, the Caucasus Cossack Line would be a social and patriotic organization that would decide all matters pertaining to the North Caucasus Cossacks on the basis of the line's Confederation Treaty or Charter.

At the first stage the Stavropol Kray Union of Cossacks intends to establish a coordinating committee to direct the Caucasus Cossack Line. It will be for the purpose of appealing to the Supreme Soviet and the Russian Government, the Russian MFA, the State Committee for Nationalities and the leaders of Kabarda, Chechnya, Dagestan, Karachayevo-Cherkessia and North Ossetia on behalf of all Cossacks, requesting them to establish a commission of experts to deal with matters of the territorial integrity and administrative boundaries of the Caucasus Cossack Line.

However, in the opinion of Yevgeniy Kuznetsov, administration chief of Stavropol Kray, "any attempts at the present time to raise the issue of land boundaries and borders will inevitably lead to marked escalation of interethnic tensions and even civil war." He has also expressed opposition to the Cossacks' territorial claims on Chechnya, two rayons of which were part of Stavropol Kray prior to 1957 (the date when the deported Veinakh peoples returned to their homes).

Sakha Republic President on RF Future

934C0566A Moscow ROSSIYSKAYA GAZETA
in Russian 8, 9 Dec 92

[Article in two installments by Mikhail Nikolayev, president of the Sakha Republic (Yakutiya): "There is No Returning to the Past"]

[8 Dec 92 p 3]

[Text] There will still be long discussions and arguments over the miscalculations, the policy and the practical experience of the Soviet Union state which for many decades affirmed the totalitarian administrative-command regime and never realized the possibility of a declared social system and the capacities of man in this socio-political formation.

The main lesson which we must extract from the past is that we cannot build life on a dictate, that the center cannot decide the fates of entire peoples, and that it is

impossible to build a society which negates the interests and will of many nations and of the individual.

This is why we say with firm conviction: "There is no returning to the past."

Concept and Strategy of Development

The transition to market relations poses very complex problems in the continued development of the republic's economy, which for decades was formulated as a raw material appendage of the center. Relations within the framework of the Federation must be built in a new way—the status of an autonomous republic was a declaration without a guarantee.

We have chosen the course toward state sovereignty. After an all-people's discussion, the Declaration on State Sovereignty of the Republic was proclaimed on 27 September 1990.

We presented the Russian leadership with the principle question of recognizing the sovereign rights of the Republic of Sakha and secured these rights with the appropriate document. On 31 March of this year, the Federative Agreement was signed. This was an agreement on delineation of the objects of jurisdiction and powers and authorities between the federal agencies of state power of the Russian Federation and the agencies of power of the sovereign republics within its make-up. For us it is also of principle importance that today an agreement on economic questions has been signed between the representatives of the Russian Federation and the Republic of Sakha.

On 27 April 1992, the new Republic of Sakha (Yakutiya) Constitution (Basic Law) went into effect. It states that this is a sovereign, democratic and legal state based on the people's right to self-determination.

These are not declarative documents. It is important to note that we are speaking here not of self-isolation of the republic or its separatist aspirations. The Republic of Sakha, realizing the principles of voluntary choice and equal rights, on the basis of the Federative Agreement is a subject of the Russian Federation as a federative state. The fates of the peoples of Yakutiya and Russia are historically joined together.

Sovereignty obligates us to many things. Freedom and independence place a huge responsibility upon us. It is specifically because of this that we need to develop precise and clear guidelines for the development of society and the state. Therefore, at the current stage of development we need a concept and strategy for development of the Republic of Sakha as a sovereign state and formation of civil society.

The concept is very complex, since it characterizes all the spheres of vital activity of society, proceeds from the goal of formulating and developing a sovereign state, and takes into consideration the relations and dependence of different spheres of social and state life.

The Republic of Sakha, with its human potential and mineral wealth, can and must achieve prosperity for its people and occupy a fitting and worthy place within the Russian Federation and in the world community.

We are speaking about the fact that at the initial breakthrough stage, we must have a proven strategy for formulating the statehood of our sovereign republic and creating a truly new regional economy capable of operating on an equal basis in the multi-complex mechanism of the market, and of entering into effective relations with foreign countries. As soon as possible, we must put an end to the shortage of professional cadres, to the deformations in the economy, and to the backwardness of engineering and technology, and bravely proceed to introduce new forms of economic management and change over to civilized political, economic, social, state-legal, spiritual, and cultural standards of interaction.

The primary factor which connects all spheres of activity of society and the state is the welfare of man.

The new character of life demands changes in the self-awareness of the people. We must free ourselves from the consumer, dependent and boarding-school psychology. Each person must clearly understand that only he himself, and not the state or some abstract economy, must answer for the quality of his life and for the level of well-being of his family and his dear ones.

Every person must recognize his rights and responsibilities, and be capable of exercising and fulfilling them. Ultimately, all of us, the residents of the republic, are called upon to compile a democratic civil society in which the laws represent a form of expression and mutual relation of the rights of man and citizen. Our goal is to realize the principles of a free society, integrated into the world community of people.

The republic, which represents a national-state formation, aside from ensuring civil rights and freedoms for all peoples, will create conditions for the realization of constitutional rights which are concordant with international pacts and declarations, as well as the rights of the native people, their national rebirth and development.

The most important task in this case is the concern for a stable civil accord and the preservation of peace and harmony in inter-ethnic relations, which is to necessary under conditions of joint habitation by representatives of different nationalities in the republic.

In the situation which has arisen, it is necessary to be guided more by the ideas of pragmatism—a philosophy most acceptable in crisis situations, a philosophy of action and quick reaction to changing situations. The orientation should be placed on affirmation of the individual, who is capable of discovering his capacities under conditions of the transitional period toward a new state of society.

In short, the purpose and basic content of the concept for formulation and development of the Republic of Sakha

is the building of a sovereign democratic state, the national rebirth for accelerated movement of the peoples of Yakutia along the path of economic and social progress, ensuring the legal and socio-economic protection of all strata and ethnic groups of the population, granting real possibilities for spiritual and material development of the individual, and guaranteeing each person a worthy place in society in accordance with his capacities and abilities.

Real Federalism

History has spoken in such a way that we have found ourselves at the source of the birth of a new sovereign state—the Republic of Sakha, which is making strides as an equal subject of the Russian Federation.

In thinking about the means of formulating and strengthening statehood, we proceed from the truth that the Republic of Sakha has historically been a component part of Russia.

Statehood in Yakutiya emerged thanks to its common fate with Russia. Nothing in life is eternal. Republics which have gained their statehood as autonomies, passing through a certain stage of development, have rejected this form. Therefore, there is nothing controversial in the fact that certain republics are seeking means of a specific approach in questions of interaction with Russia. Considering the historically formulated ties, the specifics of the geopolitical situation, the level of development of the state institutions, the socio-economic and cultural potential, individual republics, perhaps, will maintain different relations with Russia.

However, for the Republic of Sakha the most acceptable form of the constitutional-democratic model of Russia is the idea of real federalism. It was assumed as the principle of the Declaration on State Sovereignty of the Republic. The new republic constitution is built on the principle of federalism.

Therefore, naturally, we have firmly maintained the idea of the Federative Agreement. Together with other subjects of the federation, we were able to bring it to its logical formulation. The document of legal significance—the Federative Agreement—was not only signed and ratified by the Russian Federation Sixth Congress of People's Deputies, but also became a component part of the Russian Federation Constitution. The entire process which led to the signing was a significant landmark on the path of consolidation and achievement of general consensus.

The Agreement fixes the basic principles on the basis of which the interrelations between the center and the subjects of the federation are built.

First. If we proceed from the fact that at the present time federalism is associated with problems of inter-ethnic contradictions, the Federative Agreement is one of the primary guarantors for their resolution. It proceeds from the principle right of nations to self-determination, fixed

in international pacts on human rights. The Federative Agreement makes it possible to take into consideration the national peculiarities of development of the individual republics within the make-up of the unified state. On the basis of the Federative Agreement, we may affirm that the national-state formations within the make-up of the Russian Federation retain their initial essence. And the efforts to obliterate them under the guise of territorial development of the Russian Federation are inadmissible and contradict international legal standards.

Second. The most important moment in securing federalism in the reformed Russian statehood is the recognition of the sovereignty of the republics. They are recognized by the international community not declaratively, as was the case before, but in actuality.

The republics exercise their sovereign right to state independence on the basis of an agreement, by means of delegating certain individual powers and authorities to the center, i.e., to the federal agencies of power. This, in essence, is federalism from the bottom up. Under former conditions of the totalitarian system, this could not be. The positive side of such mutual relations in practical application has a constructive significance.

On one hand, the subjects of the federation express a rejection of separatism and of centrifugal aspirations. On the other hand, federal power expresses a rejection of unitarianism, centrism, and a desire for dictate.

Third. One of the most basic questions for every people is the problem of ownership. The relation of ownership is closely tied with the sovereign right of the individual. It would be impossible to think of anything more degrading to the sense of national dignity than to deprive entire nations and peoples of the right to own, manage and use all the indigenous wealth that is a component part of their environment of habitation. Yet these principles reigned supreme for many long years. The subjects of the federation found the opportunity to rid themselves of such lawlessness only thanks to the Federative Agreement. Thus, on the basis of the agreement the republics are acknowledged as owners of their primordial lands, their mineral wealth, waters, forests and other natural resources.

Fourth. The Federative Agreement proceeds from the principle of recognizing and adhering to the separation of powers along the horizontal and vertical. This method, tested by numerous countries, meets the requirement of clear-cut vertical subordination and horizontal dependence.

The agreement became the basis for understanding the essence of delineation of the objects of administration and powers between the federal and republic agencies of state power. The clear delineation of competencies—that is the approach toward strengthening the independence of the subjects of the federation and toward formulating a unified, integral federative state.

Declaration of state sovereignty, adoption of the new constitution, and signing of the Federative Agreement—that is only the beginning of the political-legal recognition of the formulation of true statehood of Sakha (Yakutiya) within the framework of the Russian Federation. Their goals must be embodied in real life. Ahead of us lies continued work on the consistent development of state-legal institutions and mechanisms.

Along this path, we must first ensure the true separation of powers. What is understood by this? For many years we have lived under the slogan, "All power to the Soviets!" But we cannot simulate dogma once and for all, in all places and everywhere.

In a sovereign republic, the principles of separation of powers must be developed, and the institutions of the three branches—legislative, executive and judicial—must act independently.

Parliamentarianism in our country is taking only its first steps. In the future there will be a gradual transition to more developed forms of organization of parliamentary activity. The supreme representative organ of the republic will become professional, having a competent deputy corps. It must be capable of ensuring a harmonious combination of republic and regional interests, and a high quality of legislative work.

The development of the executive branch of power will be accompanied by the real provision of the presidential form of rule. The president of the republic, as its highest official, must have all the necessary levers for implementing effective leadership. As the head of the executive power, he must lead the government, make cadre appointments within the system of executive power, define the responsibility of the government and its members, and define the guidelines for future policy.

The course toward improving the separation of powers and organizing their more effective interaction in the center and locally will proceed along the principles of clear-cut delineation of authorities according to the traditions of the presidential form of rule, as well as the organization and implementation of control of executive practice.

Judicial power in the republic will gradually change over to a system of lifetime fulfillment by the judges of their functions, to the more rational separation of powers in its formulation between the president and the representative power. The reforms of the judicial system will be realized in accordance with the federal laws.

We need large-scale reform of the local administration. The separation of powers here must be implemented along the vertical, i.e., the institutions of each of the branches of power act in strict accordance with subordination. The functions of the former Soviets have outlived their usefulness. The basic direction of activity of the local administration must consist of implementing the functions of executive power locally. Representative agencies must be created not by projects, but only on the

scale of rayons and cities, where the fulfillment of legislative statutes requires the adoption of their own, local normative statutes. The path of consistently rejecting the practice of amassing agencies of power in rural areas and in individual population centers is becoming a necessary attribute of reform.

For the first time in its history, new horizons have opened up before the Republic of Sakha on questions of building statehood. The essence of this phenomena consists of the fact that the republic now has the opportunity of resolving not only its own internal state matters, but as an equal and independent subject of the federation bears the responsibility for the fate of the Russian Federation. The successful resolution of questions of our internal policy, economic development, social protection of the population, etc., will proceed depending on how we will be able to correlate these questions with the problems of the entire Russian Federation.

Politics of Rebirth of Peoples

With the adoption of the principle documents on the formulation of its statehood, the Republic of Sakha for the first time embarked upon the path of independently resolving questions of domestic life, and the rebirth of independence of the Yakut and other peoples populating the northern region.

The citizens of the republic understand that they must themselves see to the prosperity of our society, and strive to find a worthy place for it in the world community.

"Enrich yourselves and enrich your republic!" This formula must be the basis of the consciousness of the youth and the elderly, of every resident of Yakutiya who is active and striving for success. A person who is capable, hardworking, honest and enterprising must be given broad opportunities to employ his powers in any sphere of activity, including also in entrepreneurial directions. We know from history that the entrepreneurs of the Sakha people have in the past achieved great success in the Russian and international markets.

The policy of rebirth of the peoples of the republic is an integral process taking place on a background of the combination of complex phenomena—economic and political, material and spiritual, aesthetic and moral, objective and subjective, and often entering into contradiction with each other.

The doctrine of a unitarian state was directed only at the merging of nations. Under such a policy, questions of social development of all forms of ethnic groups—tribe, people and nation—were pushed to the background. It scorned the fact that each ethnic group bears within it the dialectic unity of two principles—communication and generality.

The historical process of interrelation of peoples stems from all-human principles and values, and creates the basis for unity in spiritual, economic and political spheres. This regular process may become the real basis

for national policy, if it facilitates resurrection of the ethnic groups and the spiritual and material development of the peoples.

There is also another side to the ethnic interrelations—the desire for isolation to the point of creating one's own state. We know of examples in world practice when states having a multi-national population of from 50 to 500 thousand people maintain a high living standard for their peoples, retaining close ties with the world community. These states—while preserving and affirming all-human values—have objectively better conditions for self-preservation and creation of prerequisites for rebirth and development of the languages of culture, for strengthening their traditional way of life, and for preserving the specifics of their interrelations with the environment and the social sphere.

The proclamation of statehood in the republics of the former USSR in fact turned out to be a declarative act. Although the USSR Constitution did establish the statute on the right of nations to self-determination, no change was made toward developing the legal mechanisms for realizing this most important all-human standard directed primarily at ensuring the primary condition for preserving the independence of nations.

The goal-oriented process of denationalization, which comprised the basis of the Soviet state's national policy, in essence had the goal of forced unification of the lifestyle, language, spiritual and cultural traditions, customs and other ethnic peculiarities of nations. Objectively, this led to a disregard for the basic principle of the General Declaration of Human Rights, which stated that the recognition of the dignity inherent to all members of the human family, and of their equal and inalienable rights, is the basis of freedom, justice and general peace.

Our sovereign state—the Republic of Sakha (Yakutiya)—will strictly adhere to the principle of equality of all nations and social strata before the law. The interests of the native nations—Sakha (Yakuts), Evenks, Evens, Yukagirs, and Chukchi—whose fates were built on their primeordial lands for centuries and whose future is tied only to this land, must find predominant reflection in the state policy, taking into consideration their historical, ethnic and social specifics. Ethnopsychology, the system of national education, the legal basis for preservation of the ethnic groups, the social protection of the native peoples—these and other aspects of the problem of rebirth of peoples require principally new, specific approaches, and must be elevated to the level of state policy.

The territory of the Republic of Sakha in its current form is the historical homeland of the Sakha people. The formulation of moral principles, customs and traditions of the Sakha people and their economic activity took place over centuries, in a difficult battle with the severe northern elements and in extremal climatic conditions to which there is no analog anywhere on the entire planet. Yet the people survived, overcame all the trials, and

accumulated a powerful economic and intellectual potential sufficient for making a breakthrough to the future.

The Sakha people, along with the rebirth of their language and culture, the development and enrichment of their national traditions and customs, will have to fulfill a crucial consolidating mission. They must facilitate the development of ethnic and spiritual-cultural peculiarities of the national groups, thereby strengthening civil stability, mutual understanding and mutual support, and comprehensively creating conditions for living and building together. The Sakha people have a tradition which has been time-tested for centuries: To live in peace and accord with the representatives of any nations and peoples. We must value this and aid in the continued consolidation of all of our society.

For this, it is important for the Sakha people themselves to be gathered together as one, striving toward a single goal, to rise above regional and group interests and personal ambitions. There is also another tendency, of a negative character, which has begun to be manifested after the proclamation of sovereignty. This is the desire toward isolation within the framework of individual regions and rayons, and the tendency to promote local interests. Such a position is deeply rooted and was artificially warmed under conditions of the totalitarian regime, when the needs of the rayons and villages were satisfied through the abilities of their leaders to get ahead, and financing of capital construction and the social sphere took on the degrading form of handouts and charity.

True sovereignty is possible only in the framework of the state. Only the state is capable of guaranteeing the rights of citizens through the laws adopted by the supreme organ of power, and of implementing a unified policy of economic development, social protection, and spiritual-cultural rebirth of the people. Therefore, we must become inspired by the idea of ethnic solidarity. In this complex time, the provision of solidarity and unification of all the Sakha people is the common task of the nation and the duty of the people who have access to the levers of power.

A radical change in guidelines and approaches is taking place. It is not the struggle between classes and different forces, but the cooperation and construction, pluralism and opportunity of free choice of one's place in life that are becoming the norm for social consciousness. The ideals of development must be the concepts of well-being and development, good and harmony, and affirmation of spirituality in man and society. The time is coming for the ideology of personal development and family prosperity, for the moral of increasing national and all-human values and wealth, and for work toward individual and common prosperity.

In the efforts to create a democratic civil society, the political organizations are called upon to take their place. Indifference to the processes which are taking

place and social apathy are especially dangerous today, during the ongoing process of affirmation of true statehood of the republic and rebirth of its multinational people.

As we move toward the market, there will be a disintegration of the socio-economic uniformity of society. The emerging new strata and groups of the population will have their own specific interests. A real basis for affirming the multi-party system will emerge. It must provide a counterweight to the efforts to restore totalitarianism in one form or another, and voluntarism in resolving social contradictions.

The activity of various political parties and organizations will be constructive only if they present as their program goal the consolidation of society, the affirmation of all-human values and ideas of national rebirth. We cannot tolerate appeals to extremism or preaching of national class hatred or contempt for the existing constitutional order.

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Economic Strategy

The fundamental principle of our economic strategy is the transition to a new socially oriented market economy, and the gradual and continuous integration with the world economy. However, we must make this transition not by order of another experiment or campaign, not by someone's directives from above and imposed schemes, but based on the real economic conditions and capacities of the republic, with consideration for the prevention and minimization of possible negative consequences and outlays, orienting ourselves toward long-term interests and prospects of the republic's people and its economy.

Economic independence and self-sufficiency is taken as the basis for state sovereignty of the republic. Undoubtedly, the realization of this task will take a rather long period of time, and will occur in several stages which are quite distinct from each other in time as well as in character and complexity of the outlined measures.

Despite the deep economic crisis and the huge complexity of the political, social and economic problems facing the republic, we nevertheless have all the capacities to ensure fulfillment of the program of economic development, and on this basis—the development of the state sovereignty of the republic.

First of all, there is the presence of extensive surveyed and potential reserves of natural resources, which allow us to develop the effective production of goods and products, and to boldly introduce progressive new high-technology and ecologically pure jobs, including also with the involvement of foreign investments.

Secondly, the comparatively small number of the permanent population, as well as the definite geographical and transport isolation of the republic's territory ensures the

possibility of regulating the capacity of the consumer market, the volumes of domestic production and import.

Thirdly, despite all of the existing structural and financial-economic deformations, a rather sizeable production potential has been created, a qualified contingent of workers has been formulated in many sectors, and adequate scientific potential has been accumulated.

Fourthly, if all the necessary social, economic and legal principles and conditions were provided, the people of the republic, whose characteristic traits are moral purity of human relations and readiness for selfless, patient and productive labor, would be capable of entrepreneurship and business, and capable of surviving and developing their economy through their own capacities, knowledge, skill and talent.

The basis adopted for our economic strategy must be international vital standards, social standards, legal norms and guarantees of the individual. The citizen of the Republic of Sakha must have all the legal guarantees and economic conditions for his own economic self-determination, and full freedom to engage in entrepreneurial activity and business, as well as the necessary social protection of the state. We must create all conditions for a true uplift of the material and spiritual culture of all the citizens of the republic and of its people as a whole.

In the questions of understanding the economy, we must radically break with the stereotypes of our thinking in regard to private ownership of means of production, accumulation and entrepreneurship. We still have to master the alphabet of a civilized attitude toward private ownership, toward the labor of the entrepreneur, and toward the commercial ethic. Following world civilization, we must unconditionally accept the fact that the right of ownership is sacred, that it is guaranteed, protected and defended by all the laws of the state, that in a democratic society there should be no place for unhealthy envy of someone else's wealth, nor for the psychology of levelling which discredits free labor.

At the transitional stage—the stage of overcoming the economic crisis and stagnation—we are assuming the following tasks:

- to saturate the consumer market with food and consumer goods, including by means of accelerated organization of raw material processing in the republic itself; to create new and reconstruct existing enterprises engaged in the manufacture of consumer goods. We must introduce significant corrections and changes to the existing republic program on this question, keeping in mind its accelerated realization, and also placing the main stake on new economic structures, the non-state sector, small business and commerce;
- to develop and consistently realize the most effective and optimal schemes for energy supply, transport and communications. In terms of developing the system of

power provision, we will orient ourselves toward expanding gas supply, large-scale assimilation of oil and gas resources of the republic with involvement of foreign investments, and operational introduction of new power production enterprises;

- to define the rationally adequate volumes of mineral resource exploitation; to perform full inventORIZATION of all balance reserves of minerals and in individual cases to review their allocation to operating enterprises; to develop and embark upon the realization of the republic program on introduction of tenders, concessions and other forms of cooperation with foreign firms and companies; to ensure the introduction of progressive technologies for mining and processing mineral raw materials, precious metals and stones, with provision of their full ecological safety;
- to develop and begin the realization of the state program on intensive and accelerated development of agriculture and rural areas, including also such basic directions as: Social reorganization and rebirth of the Yakutsk village; Development of peasant and individual farms, agricultural cooperatives, subsidiary and service enterprises; Creation of new jobs in rural regions; Professional re-orientation, training and re-training of rural youth; Program of state protectionism; Program for development and support of non-state structures in agriculture and rural areas; Program of development of small-scale rural industry;
- to develop a republic program for developing an industrial and social infrastructure (roads, communications, building materials and building industry enterprises, housing-municipal management, etc.);
- to develop a republic program of long-term foreign economic relations and foreign investments; to define the priorities in this activity, introduce new forms of cooperation, create joint enterprises, agencies and representations in foreign countries; to increase the export potential of the republic and to issue the marketing of the republic to international information structures;
- to develop and implement principally new solutions to the problems of demography, migration and reproduction of skilled cadres; to radically rebuild the entire system of general education on the basis of the concept of developing the national school and professional training of the youth;
- to develop and realize the state program for provision of ecological safety of the republic; to perform ecological passportization of all operating enterprises and productions

The specific form of implementing the indicated directions for economic development will be special state programs adopted in the form of individual republic laws or edicts issued by the Republic of Sakha (Yakutiya) president, based on short-, medium- and long-term indicative plans.

In the more long-term perspective, we see the following as the main directions of the economic strategy:

- major structural changes in the national economy, overcoming the raw material directionality of the economy; accelerated development of the transport network and telecommunications;
- formulation and accelerated development of free economic zones on the basis of individual cities and rayons of the republic;
- construction of automobile roads in the rayons and to the Sea of Okhotsk, port structures, docks, and warehouse facilities—in the form of joint and independent enterprises, on the basis of leasing or purchase of land plots in cities of the Far Eastern region;
- construction of a railroad in the republic;
- formulation of a truly free market economy based on competition of goods producers, full freedom of enterprise and small business, and work of full-fledged market mechanisms;
- establishing ecological balance and introducing rational use of natural resources;
- active foreign economic relations, establishing long-term tender and concession agreements, creating and developing joint enterprises, increasing the republic's export potential;
- accelerated assimilation of high technologies, breakthrough in the sphere of scientific-technical development and innovation;
- large-scale training of highly professional cadres abroad, formulation and development of a principally new system of educating the youth and training cadres, a banking system and managerial staff.

The new economic ideology demands the immediate operational introduction of new economic principles, methods and mechanisms.

We must embark upon the decisive and accelerated reformation of ownership. In 1992-1993 it is necessary to complete the privatization of small and medium-sized enterprises, and the transformation of state enterprises in practically all sectors of the national economy into open type joint-stock companies. We must organize the securities market and investment funds, and realize the republic program of privatization vouchers. We must create reliable protection and necessary guarantees to the republic's population for the profitable application of privatization vouchers. We must also form stock exchanges.

In 1993 we must resolve the problem of compensation to owners of private houses for part of their expenditures on construction and maintenance of their residence. We must develop and introduce into operation a mechanism

for purchase and redistribution of privatized apartments. At the same time, we must resolve the question of the advantage of cooperative construction of residential houses in cities and rayon centers, actively involving personal savings and loan funds of the citizens for these purposes.

The time has come to introduce private ownership of land for purposes of organization and management of peasant and individual farming. It is quite obvious that without solving this most complex problem, economic reform may find itself at a dead end, and the entire strategy of economic revitalization and development will remain nothing more than a good intention.

On these questions, we must boldly move away from the stereotypes in thinking which have been formed, away from the fabricated fears and illusions, and the overly politicized and ideologized approaches. It is clear that without private ownership of land we will never get out of the crisis, but will get even more bogged down in economic poverty and social lawlessness.

In the very near future, we must ratify a state program for support of entrepreneurship and small business. We must create maximally favorable conditions for entrepreneurs, businessmen, and merchants. These must include tax breaks, credits and loans at preferential interest rates, and the priority right to obtain privatized facilities. At the same time, naturally, specific benefits and priorities will be given to entrepreneurs and businessmen who invest their capital in production, creating new jobs, introducing progressive technologies and scientific-technical developments, and implementing innovations.

Today the main task is to resurrect the incentives for entrepreneurship, for managing one's own business. A person must want to work and make good earnings, to have sufficient income, and to believe in the constructive power of the market. This person must have the appropriate respect and authority in society. The young people and beginning entrepreneurs should orient themselves toward him.

We are faced with the very difficult task of reforming the monetary-credit and banking system. In the entire civilized world, banks play the role of catalysts of economic progress, investors, and innovators.

We will consistently move away from strict dependence of enterprises on credit. For this, we need to introduce exchange bill operations and clearing, to create a national investment bank and republic mortgage banks, to formulate the National State and Land Banks of the Republic of Sakha (Yakutiya), and to formulate bank consortia, including with the participation of international and foreign banking systems.

We must perform work in a goal-oriented manner and within the framework of the Federative Agreement and the Economic Accord. We must insist on and argue the need for reforming the centralized banking system of

Russia, and we must move away from super-monopolism and the traditional dictate from above.

The main financial mechanism in the realization of the economic strategy is the republic budget. When there is no singular, goal-oriented and sufficiently strict budget policy, then, consequently, there is also no economic strategy. All the forces and resources are mobilized only toward resolution of daily, current problems and questions, and are dissipated on endless subsidies and useless investments.

In 1992 the income of the republic budget increased by 20 times as compared with 1991, and by 72 times as compared with 1990. However, this huge growth in financial resources yielded no tangible effect.

We consider it expedient and urgent to implement a serious reform of the budget process and the budget policy in the republic, beginning with the budget for 1993.

It would also be justifiable to review and ratify at the sessions of the Republic of Sakha (Yakutiya) Supreme Soviet the basic directions and principles of economic strategy and budget policy for the plan period. Filling them with specific means and measures, developing and ratifying a specific plan of action, implementing special programs, establishing and introducing mechanisms for realization of these plans and programs, including the question of development and ratification of the republic and consolidated budgets—all this must be within the competence of the government. Otherwise, the president and the government, not having at their disposal and not managing the main financial instrument, will find themselves practically helpless in the realization of their economic strategy and tactics.

Moreover, it is necessary to change over to traditional sources of formulating the income portion of the budget beginning in 1993: Taxes, collections, duties, payments and other revenues specified by the legislation. And the revenues from payments for non-renewable natural resources, from the sale of precious metals and diamonds, as well as from rent payments, must go toward formulating special extra-budgetary republic funds.

For example, the following funds should be created: For rebirth of the nation; for support of entrepreneurship and small business; for future generations; for support of peasant and individual farms; for road construction; for ecology and liquidation of negative ecological consequences of economic management activity, and others.

The decisions adopted on the economy, which are undoubtedly extremely harsh and obviously unpopular, will make it possible to bridle inflation in the republic, to stop economic dependency of many state enterprises and local administrations, to sharply increase the financial potential of the republic, and on this basis to allow it to move forward along the road to realization of the strategy of economic revitalization and development.

Cardinal and complex problems must be solved in the sphere of price and anti-monopoly policy, agrarian and housing reform, and investment activity.

In first priority order, we must develop a program of job placement and public employment, taking into consideration the inevitable bankruptcy and liquidation of a number of enterprises and productions. The threat of unemployment has become a reality for a large number of people, and all of us must clearly understand this. Today we must rid ourselves more quickly of illusions and stereotypes, soberly evaluate the situation which is being formed, and take all measures to avert cataclysms and catastrophes. For this we need both an analysis of the situation, and a prognosis of the development of events, and a tactic of action, and a strategy for surviving and moving ahead.

Here are several general ideas regarding the foreign economic relations of the Republic of Sakha (Yakutiya). Already at the present time, the republic is attracting the close attention of foreign capital as a possible object of investment and as a partner in business cooperation. The republic should not gravitate toward certain zones or regions, but in accordance with its chosen path should open its economic borders, securing this with the necessary political realities. Only by ensuring the utilization of all factors of production (capital, land, labor, resources), multi-national and international in their nature, will it be possible to actually realize the strategy of stable and long-term growth without any sharp fluctuations.

From this it follows that in its foreign policy, the republic must orient itself toward the European countries, as well as toward the countries of the Asiatic-Pacific Ocean region. In the plan for cultural and spiritual exchange, the integration with the Turkic peoples of the former USSR and foreign countries seems beneficial. In terms of investments in the development of industrial and agricultural enterprises, there are definite prospects hidden in cooperation with Japan, China, and South Korea. Aside from the traditional business and friendly mutual relations with the former USSR republics, which are today sovereign states, the republic maintains mutually beneficial business, scientific and cultural cooperation with Austria, Germany, the Scandinavian countries and the countries of Eastern Europe.

This in brief is a view of the strategy for economic revitalization and development. All these goals and tasks may be realized only under one condition: Every citizen must recognize his economic responsibility for his own fate and the fate of his family. Every one must strive to survive by means of mobilizing all his efforts, skills and abilities.

Social Protection

In the past two years, considering the unforeseen difficulties which have arisen in supplying the people with food products and everyday goods, as well as the growth

of inflation, first priority attention was given to questions of social protection of the population, and primarily of its poor and weakly protected strata and groups.

Everyone would like even more. However, we must keep in mind the republic budget and the position of the social infrastructure on the whole, at a time when we have begun taking practical steps toward the realization of economic independence. We have received an unenviable legacy. The raw material directionality of the economy, which we might add was in fact under the dictate of the center, as well as the so-called residual principle of financing the social sphere, did not allow the republic to ensure even an average union or average Russian living standard.

Undoubtedly, there will be and already are radical changes made in the value orientations. A pro-market consciousness must be formed—he who is more enterprising, who perceives the processes which are going on around him with understanding, who resolves the problems which arise in a businesslike manner and does not retreat in the face of difficulties—will live a better life.

Yes, there will be some who are unemployed, especially at first, and there will also be those who are more well-to-do. There will be harsh taxes, high cost of housing, bankruptcy of enterprises and, undoubtedly, hired labor. Under the conditions of the Far North, where the cost of living has always been high, these factors will become even more intensified and will create excessive hardship.

Therefore, the entire social policy in the republic will be directed toward the protection of man, toward the creation of labor conditions for him, and toward his well-being.

We must implement a set of measures on special-purpose social protection of the low-income strata of the population—invalids, pensioners, large families, and orphans. This protection will be expressed in various forms—increasing the amount of benefits and pensions, sale of goods at preferential prices, aid in payments for medical treatment and transport expenditures, humanitarian aid, and material aid in the form of food products and free food programs. Funds must be allocated from the republic budget for these purposes, and special aid funds must be created for providing aid to the elderly, invalids, orphaned children, large families, and persons who have lost their breadwinner.

It is not in the traditions and customs of our people to leave the poor and sick to the whim of fate, and to ignore the elderly and the sick. Even in those times when there were significantly more crippled and blind people in Yakutiya than there were literate people, entire villages cared for the underprivileged, considering it a shameful and immoral occurrence if someone like that was left without compassion, without support, and without charity.

Our republic can and will guarantee the appropriate conditions for those who worked all their lives for its benefit, who took up arms to defend the honor and freedom of the Homeland, or who, because of illness or other blows of fate, are unable to withstand the trials of the market.

An appropriate state program will be developed for social protection of this category of the population. A social guarantee for the unemployed must also be provided.

Another direction of social policy which has strategic importance relates to the most significant spheres of vital activity of society: Public health, education, culture and science. These cannot be related to the market sectors, although the demands for adaptation to the new economic relations apply to them as well.

Undoubtedly, for the transitional period they will retain their state character and their predominant state administration. If we speak of national rebirth, of breakthroughs in the spiritual and intellectual development of the people, then we must preserve their priority importance.

Nonstate, private forms of meeting the educational and cultural demands of the population and providing for its health will emerge, and they will receive support. Standard financing from the budget may provide the start-up economic basis for their formulation.

Serious problems are arising in the sphere of ecology and environmental protection. We must devote more study to the consequences of using explosive devices with fissionable materials in the industrial assimilation of the northwestern region of the republic. The environment of rayons where the Northern peoples live has especially suffered from the incursion of industrial enterprises. We must study and resolve the question of the expediency of continued operation of mining industry enterprises, which inflict especially dangerous harm upon the environment.

On questions of environmental protection, we must be guided primarily by the interests of future generations. We must preserve for them the forests and the rivers, the wildlife and the natural resources which comprise the national wealth of the republic's residents.

For a number of reasons, the rural population, i.e., the people by whose name the republic is called, are unprepared for the transition to market relations. The rural residents are generally concentrated in large populated areas and rayon centers, where it is impossible to directly expand agricultural production which would encompass all the able-bodied people. There is not enough land around the large villages, and there are no conditions for large-scale farming or for development of personal subsidiary farms.

Therefore, we must introduce everywhere in the agricultural rayons a special summer work regimen as a form of

employment, make it permanent, and develop the say-lyks. In each village we must organize the production of consumer goods, and create enterprises for the manufacture of industrial products based on accessible technologies, or provide facilities for assembling products made at other enterprises.

All measures must be directed toward providing a new quality of life for the people and creating conditions for their comprehensive development.

At the beginning of this century, the leading Yakut thinker Aleksey Kulakovskiy wrote: "Only the beginning is difficult, but once the seed has been scattered, it will quickly sprout; Only everyone must take up the cause together—all the ulus of the Yakut okrug!" These words have proven to be especially current on the threshold of the next century, under new conditions of filling the sovereignty of the republic with real content.

History does not move backward. Self-awareness matures, and the material and spiritual potential of the peoples of the Republic of Sakha grow stronger. They embody the dream of many generations of Yakuts: The creation of a state where labor, high spirituality, and social justice will hold a dominant place. It has fallen upon us, those who live on the boundary of the two centuries, to implement this.

Bogus Leaflets Call for Incorporation of Parts of RF Into Armenia

934C0534A Moscow ROSSIYSKIYE VESTI in Russian
4 Dec 92 p 2

[Article by Aleksandr Iskandaryan: "Threat or Forgery?—Rostov Procuracy Files Unusual Charges"]

[Text] For some time now strange leaflets have been appearing in southern Russia, in Stavropol and Krasnodar krais and Rostov Oblast. They claim to be photocopies of various documents signed by the so-called "North Caucasus Armenian National Liberation Front." Essentially they are the minutes of secret meetings of an initiative group of this mysterious "front" and an appeal to various authorities from the U.N. Secretary General to "Armenians living outside Armenia." Perhaps the most interesting document is the "Historical Reference," eight pages published by an unknown publishing house called "Artsakh" and signed with the name of Fedor Shelov-Kovedyayev, former Russian first deputy minister of foreign affairs. The gist of the document is that Stavropol Kray, the Kuban and the Don region are ancestral Armenian lands and should become part of "Greater Armenia." Besides the fact that this is an outright lie, carrying out this idea would by virtue of simple geography require that first Georgia and Ossetia, as well as either Checheno-Ingushetia or Kabardino-Balkaria and Karachayev-Cherkessia, be incorporated

into "Greater Armenia." Finally, the areas claimed by this mythical "front" are almost 10 times as large as Armenia itself.

All the texts were prepared quite hastily, as is evident by the grammatical mistakes they contain. The "work of Shelov-Kovedyayev," who, incidentally, is a candidate of historical sciences, contains this sentence: "Armenians, as an element, much more native to us, and in the person of their elegant bourgeoisie, are amicable-inclined (sic) to all the peoples of the Caucasus." The historical arguments offered range from outright lies to highly ridiculous distortions. For example, a passage on the history of Armavir in the "Historical Reference" is quite true, but it applies to another city of the same name located in the Ararat Valley prior to the 5th century B.C.E.

Naturally Fedor Shelov-Kovedyayev himself has already publicly dissociated himself from authorship of this dubious "work." As for the cryptic Armenian liberation front and its chairman, A. Melik-Tevosyan, or their whereabouts, nothing is known. The Rostov-on-Don Procuracy has filed criminal charges alleging dissemination of provocative forgeries. The Armenian MVD is participating in the investigation.

Unfortunately, the appearance of these forgeries does not seem to be a coincidence, because interethnic relations in southern Russia are currently very inflamed. This is not the first time that similar leaflets have appeared there. Armenians have lived in Stavropol and Krasnodar krais and in Rostov Oblast for a long time; some of their communities there date from the 17th and 18th centuries. Armenians have adapted to the local way of life and are perceived by the rest of the population as "natives." The anti-Armenian sentiments that have cropped up in those areas in recent years were provoked by the marked increase in the Armenian population since the start of the Karabakh conflict. The stream of Armenian refugees pouring out of Azerbaijan headed mainly for Armenia, and most of those refugees have now settled there. But since Armenia is suffering from the effects of the earthquake, continuing warfare and an economic crisis, many refugees either could not or would not go there. A significant portion of them set out for southern regions with a climate to which they were accustomed, primarily areas which already had Armenian communities, including Russia's southern cities. As a result, there are currently as many as 70,000 Armenians in Stavropol Kray and as many as 230,000 in Krasnodar Kray, and one-half of those people are refugees who arrived in recent years. The latest wave of refugees, this time from Abkhazia and Ossetia, has also been partly comprised of Armenians—in Abkhazia in particular there was a population of approximately 100,000 Armenians. Naturally many of them have attempted to settle in Stavropol Kray and in the Kuban region.

Despite the fact that Armenians in Azerbaijan, Ossetia and, to a large extent, Abkhazia are essentially Russian

in language and culture, they nonetheless differ markedly from Russia's Armenians in their behavior, customs and way of life. Specifically, in Russia it is very important for a person to live on income earned through labor, and not boast too much about his wealth. To the people of the Caucasus trade and business have always seemed completely natural, and even those who are not rich attempt to demonstratively display wealth. Of course, a certain role was also played by the fact that the crime rate among the new arrivals from the Caucasus is higher than among Russia's native population. A migrating element is fundamentally more crime-prone than a settled population. Some example of that are Vietnamese in Russia or Mexicans in the United States, and recently with ever greater frequency—Russians in the cities of Europe and Turkey. If the rumors are true, even the notoriously reserved Estonians are now running prostitution businesses in Scandinavian countries.

One thing is clear: unhappiness with Armenians is on the rise, and occasionally there are calls to expel them, not accept any more refugees, not give them residence permits or not let them work. They are told to "go to their own people in Armenia," even though that is not where they came from. In this context documents attempting to prove the existence of an "Armenian peril" could be very effective, especially since they are going to be read by simple people living in a time of interethnic tensions, not by candidates of science. I do not wish to speculate as to which forces might be behind this provocation—the investigation is still underway. The important thing to remember is that this turn of events represents a terrible danger. War has already spread to Russia's territory, but thus far it has only affected Russians indirectly. Those who created this provocation, whoever they are, are attempting to make Russians direct participants in interethnic conflicts inside Russia itself, not just somewhere on the ethnic frontiers.

Nationalist, Communist Opposition Cultivate Influence in Regions

234005364 Moscow, IZVESTIYA in Russian 4 Dec 92
Moscow Edition, p.3

Article by Aleksey Tarasov: "The Opposition Beats a Path to the Kremlin Through the Provinces"]

[Test:] KGB ex-Gen A. Sterligov rarely takes his uniform off the shelf, he admits, but now, setting out on a working trip from Moscow to Krasnoyarsk, the Chairman of the Ispolkom of the Russian National Assembly takes advantage of the uniform without fail.

The calculation is precise. In the provinces people are overcome by the general's stars. It is worthwhile for the general to appear on the shores of the Yenisev, while television presents him live. And his collocutor is not a reporter but a representative of the President himself in Krasnoyarskiy Kray, Yu. Moskvich. The picket lines that were at Ostankino were not needed. Incidentally, during the summer siege of the country's main television

station, M. Astafyev and V. Isakov, leaders of the opposition in parliament, completed a surprise visit to the home front and, on arriving in Krasnoyarsk, appeared completely free and live on local TV.

Your acts are strange, Messrs.: you get publicity on state television and radio, which receive appropriations from state agencies of authority, for your traveling rostrums, on which you vilify this very authority to the world. Indeed, if you want very much to curse Yeltsin and to talk about a civil war with the "occupation government," there are independent television studios, including those of a "patriotic orientation", in the city for that purpose.

In general, the capital's nationalist patriots feel marvelously comfortable in Krasnoyarsk. "The Great Power Holders" here would seem to be smeared with honey: they come and come. The first of the people's friends that Krasnoyarsk invited was V. Alkskis, then the Parisian E. Limonov, after him V. Zhirinovskiy, next were Astafyev and Isakov, and then a whole delegation from the "Industrial Union," a parliamentary faction with the promise of an all-demolishing outburst of the people's anger during September-October. Without evaluating everything said fervently by Krasnoyarsk's guests, people demonstrate agreement: Alkskis called General Zhirinovskiy "a great politician" before the Siberian public, disclosing that he had promised him the post of Governor-General of the Baltic. Limonov, standing in splendor on the Krasnoyarsk platform in a sailor's pea jacket (therefore it was not Sterligov who thought up this reception), was in Vladimir Volfovich's cabinet as director of the All-Russian Bureau of Investigations in the Struggle with Corruption. M. Astafyev told the Krasnoyarskers that he respects Zhirinovskiy and that Sterligov's ways impressed him—a general, he said, can fully claim the job of leader of a united opposition. Such was the group, reinforced by a visit by fighters in black shirts from the National Unity movement.

The oppositionists at this proving ground, whose territory is one-tenth of the former USSR, denounce and prophesy on the stages of city and village houses of culture, at military enterprises that have been closed, in military units, at the Officers' Home, and in buildings of the former CPSU gorkom. Limonov remembers his trips: "Thousands of people met me with shouts, 'Edik! Our Edik!....' The servant of the muses, of course, exaggerates a bit. And still, Why is it so attractive for fighters against "democratic totalitarianism" to come here "to go to the people"? Why Krasnoyarsk?

And why was it precisely in Krasnoyarsk that Colonel Chernov created the first Fascist Party in 1914? Why was the first Jewish pogrom in Siberia held precisely in Krasnoyarsk in 1916? (Incidentally, one of the ideologs of the professional patriots, V. Kozhinov, a specialist in literature, declared in VZGLYAD [Opinion]: "There never were Jewish pogroms in Russia." There were, Vadim Valeryanovich, and documents about it, for your information, have been promulgated)

Yes, all this is a matter of days long past. But it is a fact that Moscow's "great powers" today look with hope at the Krasnoyarsk nationalist-patriotic movement. And a pilgrimage here justifies the long travel, with something to spare. They met not only with soldiers and workers but also with high kray officials. The visitors publicize in the press, they broadcast live—and this is of no little importance—there is no one on local TV who would explain the true essence of the matter to the listener. On the radio, according to Yu. Moskvich's estimate, the opposition has a preponderance in time. In brief, this is the place to wake up.

The former Communist leaders of Krasnoyarsk were firmly convinced about the new economic structures. One of the figures of the kray administration declared: "There is information that, with the blessing of certain of yesterday's representatives of 'the epoch's intellect, honor, and conscience,'" shady characters had bought up whole oblasts of production facilities and are now dictating excessive prices. The militia, the former KGB, and the prosecutor—they also are lively people. And there are also people there who are indecisive, and those who have been bought....

Structures of the "white" opposition also are strong in Krasnoyarsk. Recently they joined in a single coalition. But the Communist-oriented organizations that joined it at the November meeting also came out for unity. Present at this, the first assembly of Communists after August, were 82 delegates of various levels and 65 enterprise and institution supervisors. In the former home of Politpros [Political Education], with a full house (altogether 1,200 people assembled, envoys from near and distant rayons of the kray Assembly came, and there was also a foreign delegation—Bolsheviks from Yurmala). Communists stood up under the banner of former leaders—from the former Party Nomenklatura—to the sound of the Internationale.

Sterligov himself gave the reasons that the Krasnoyarsk area was chosen as the jumping-off place for propagandizing the idea of the Russian Assembly; these ideas receive serious popular support here, there is a powerful regional representation of the Assembly here, and one must not forget that in World War II the outcome of the battle for Moscow was decided precisely by Siberians.

But still, in my opinion, Krasnoyarsk has been relied on chiefly because the opposition finds here understanding and help by industrialists. The KRASNOYARSKAYA GAZETA which is the provincial twin of Moscow's DEN, greets the capital's orators at the Yenisey shore. It is kept up financially by both little-known businessmen and by influential "captains of industry." P. Romanov, for example, the director of a defense enterprise—the Yenisey Chemical Combine, who is a co-chairman of the Assembly (this is the first industrialist of such stature who has come to the RNS [Russian National Assembly]). The KRASNOYARSKAYA GAZETA costs 25 kopecks, while other publications go for a ruble or a three-ruble bill. It has the cheapest subscription rate for 1993 of such

kray publications—it is published thrice weekly, and the price for half a year is 117 rubles in all, and so it is not surprising that, with the precipitous drop in press run of its competitors, this paper has managed to increase the number of its subscribers.

Financial support for the publication, whose policy is to struggle with the "occupation regime," is, obviously, an internal matter between KRASNOYARSKAYA GAZETA itself and its patrons. The question is something else—about those aims that the Motherland's rescuers are pursuing for the far-off rich raw materials of the kray and that are being prescribed in Moscow. Politics, as is well known, cost money. And the cited facts indicate that the enthusiastically patriotic policy finds sponsors in Krasnoyarsk. Mr. Zhirinovskiy, for example, invites Krasnoyarskers "to route" the flow of their products—timber and nonferrous metals—through his party's economic structure. A. Sterligov, conversing with Yu. Moskvich, the representative of the President, declares: This meeting enables opinions to be exchanged about the form in which the Assembly's economic program may be realized in Krasnoyarskiy Kray. It turns out that the Assemblymen have created an industrial and financial company and they are inviting entrepreneurs to join. The proposal about mutual relations with the RNS on the kray's territory was to Yu. Moskvich's liking. Actually, the slogans that Sterligov advanced on this occasion cannot help but seem tempting—and not so much for the officials as for Krasnoyarsk's industrialists. According to the general's announcement, he connects the future of Russia with the formation of national capital. He promises to conduct a policy of unconditional priority for the interests of domestic entrepreneurs. One of the general's comrades-in-arms expressed the hope, which is not groundless, judging by everything, that the big director Romanov will, by his example, attract other producers to the oppositionists.

However, the capabilities of Sterligov and company are not to be overevaluated. I do not think that the directors and businessmen whose affection and support the general seeks will understand his statements. In Krasnoyarsk Sterligov committed a number of "protocols": he expressed himself as being in favor of a strong state, a powerful army, and a materially secure existence for the old people, but in a couple of minutes he began to criticize the government for high taxes. A question: How, then, will he feed the soldiers and support the pensioners? After pointing out that right after the introduction of a direct presidential administration, the Siberian krays and oblasts will secede from Russia to form independent states, the zealot of a special path for Russia preferred not to examine the question of how much more quickly the Siberians will become separated if the "Assemblers" come to power. And indeed, the RNS's views on state and economic construction of Russia guarantee an outbreak of separatism.

Sterligov was contented with his intercourse with the people. And especially by a meeting on TV with a representative of the President. "For the first time an

official spoke with us as a recognized opposition," the general remarked. Yes, and several months later, on his last trip, the RNS leader was not extended such a sumptuous reception. "Much has changed. But the fact of such a meeting must be welcomed. I think this marks the beginning for meetings both in other regions and, possibly, in Moscow...." the general summarized it in the next live broadcast—on radio.

Not only is the government moving the center of gravity of the reforms to the regions—the nationalist patriotic guard also is being shifted to the provinces. And not without success, judging by the number of followers of the national idea, which is gaining strength daily. Does the general, who has traveled about the defense plants, understand how rash it is "to work up" this audience, which is exhausted by pennilessness and frightened by unemployment, to sow the wind here in a kray stuffed with nuclear and chemical enterprises, mountains of plutonium, and strategic missiles? Undoubtedly. In enlightening the stagnant province, which is vegetating into ignorance, he said that a worldwide catastrophe is possible because of a "weakening of the Slavs." "But the ashes of nuclear stations will fly towards those who chased the Slavs into a corner. They will also remember our chemical weaponry," the general threatened.

This is how the visit of the high-ranking guest, who explained "what to do," and "what to start with," went. They are through, thank God. Now it is quieter. Until the next touring pastors. This time A. Nevzorov has promised still another general—A. Makashov.

Abdulatipov Press Conference on Reasons for Regional Conflicts

934C05331 Moscow KOMMERSANT DAILY
in Russian 27 Nov 92 p 9

[Article by Aleksandr Karetskiy: "Abdulatipov Expresses Hope and Concern for Shakhray"]

[Text] Yesterday, during a break in the Russian Supreme Soviet session, Soviet of Nationalities chairman Ramazan Abdulatipov gave a press conference on the topic "The Federation Treaty and Interethnic Conflicts." He pointed to the government's inaction as one of the reasons for such conflicts.

Ramazan Abdulatipov stated that in any region of the former Soviet Union, both within Russia's territory and beyond it, one can find as many as 40 pre-conflict situations involving not only interethnic and political factors, but economic and social ones as well. Furthermore, Abdulatipov confirmed the fact that the principal flashpoint of tension continue to be found in regions populated by peoples formerly subjected to repression. The territorial issue which was created when the Russian Supreme Soviet passed its law on rehabilitation of repressed and deported peoples is, in the opinion of those taking part in the press conference, absolutely unsolvable at the present time.

According to Anatoliy Anikiyev, chairman of the Supreme Soviet Commission on Repressed and Deported Peoples, "the task of resolving the issue of Chechnya and Ossetia has fallen to a government that did not create it." Anikiyev reported that at the present time over 150 people from the central procuracy apparatus alone are investigating crimes in the conflict zone, in addition to investigators from the Ministry of Internal Affairs and the military procuracy. Anikiyev urged both law enforcement agencies and the mass media "not to be overly hasty in categorizing events" under conditions "in which all sides are insisting on acknowledgement that they are victims of aggression."

Abdulatipov expressed high hopes in connection with the appointment of Sergey Shakhray as chairman of the State Committee for Nationalities Affairs. In his opinion this will make possible progress on the personnel front, as currently there are virtually no qualified specialists "capable of sorting out ethno-psychological situations," according to the Soviet of Nationalities chairman. Abdulatipov expressed his concern over the fact that Shakhray will remain in his post as head of the provisional administration overseeing the state of emergency in North Ossetia and Ingushetia. In Abdulatipov's opinion, "this situation could discredit Sergey Mikhaylovich," because it is "hard to remain loyal" while in the conflict zone.

Arkhangelsk Lesser Soviet To Review Draft of Oblast Regulations

934C0533B Moscow NEZAVISIMAYA GAZETA
in Russian 1 Dec 92 p 6

[Unattributed report: "Arkhangelsk Oblast Will Live by a Code of Regulations"]

[Text] A regular session of the Arkhangelsk Oblast Lesser Soviet has considered and discussed the first draft of an oblast code of regulations. The document is intended to regulate all aspects of the region's socioeconomic, political and cultural affairs. Among the text's undoubtedly positive features are its relatively small size and the foresight of its authors, who included in the document, among other things, the concept of oblast referendums and a paragraph on introduction of a state of emergency in the oblast. At this point in time the regulations contain no reference to oblast symbols and insignia. Final approval of the regulations will take place following the next lesser soviet session and public discussion.

Large-Scale Robberies in Transbaikalia Reported

934C0533C Moscow SOVETSKAYA ROSSIYA
in Russian 10 Dec 92 p 1

[Article by I. Aleksevenko, SOVETSKAYA ROSSIYA correspondent, reporting from Chita under the heading "Such Is Life", "They Steal Openly"]

[Text] What was once Victory Street is now called Millionaires' Street in the city of Zabaykalsk. The railroad located just a few steps away used to be nothing but a source of annoyance to the residents, but now it provides many of them with clothing, food and drink, and it has allowed some of the more enterprising to achieve a certain degree of prosperity.

Zabaykalsk, a station on the Chinese border, has had new life breathed into it—nowadays it is literally flooded with goods moving by rail in one direction or other. Train cars full of everything imaginable sit idle for two or three months waiting to be unloaded and their goods transferred to other cars. The line of waiting cars stretches over five kilometers.

The residents of Victory Street were among the first to realize the full "charm" of the situation, and set out to the railroad bearing sacks small and large, their destination the virtually abandoned train cars. They took everything they could lay hands on, unashamed and not making any particular effort to hide—because there was no one to hide from. Others were to follow. As they say, the process was underway.

Now the fame of Zabaykalsk Station as an endless source of quick and effortless enrichment has spread even beyond the borders of the CIS. Around here the Armenian-Azerbaijani local conflict is less a source of astonishment than the Mongol-Chinese one. According to experts' estimates, each day between 200 and 300 people take part in raids on the freight-filled cars. The unruliness and boldness of a majority of them have gone so far that security guards are now permitted to use firearms. The automatic weapons fire is usually aimed over the heads of the crowds of people laden with boxes and bags of stolen goods, but sometimes they find their mark. Shots have been fired directly at people on more than 10 occasions in the past month, and two people have been killed.

Incidentally, the boxes and bags are only hauled by the beginner "businessmen." The real ones operate in a big way, using the latest technology. A recent case: a helicopter was brought in to transport stolen Chinese feather beds. True, it did not manage to take off—prevented by the local militia.

The value of goods stolen from the station runs into the billions of rubles. Only a fraction of that stays in Zabaykalsk, most of the goods are dispersed to every city and town. In short, new economic relations have triumphed, and reform is underway on every hand.

If this keeps up, it looks like Zabaykalsk will be Russia's first station of millionaires.

Report on Press Conference on Congress of RSFSR CP Preparations

934C05574 Moscow NEZAVISIMAYA GAZETA in Russian 9 Dec 92 p 2

[Article by Anna Ostapchuk: "Leftists of All Shades, Unite!"]

[Text] On 7 December at the press center of the Seventh Congress of Russian People's Deputies, a press conference was held by Valentin Kuptsov, chairman of the organizing committee concerned with reviving the Russian Communist Party, and Ivan Rybkin, coordinator of the Supreme Soviet's Communists of Russia faction. Their meeting with journalists was devoted to preparations for the Second, Extraordinary Congress of the RSFSR Communist Party, which, from every indication, will be held in February 1993. The core of the organizing committee is presently made up of leaders of the Working People's Socialist Party, the Union of Communists, and the Russian Party of Communists—60 people in all, but the organizers hope that people of similar view will join them.

By-laws and program commissions, which are supposed to draft the necessary documents before the congress, are already working. But by that time the initiators hope to have time to polish them in the territorial party committees that are being revived. In Kuptsov's opinion, the new program's basic purpose will be "to encompass a wide enough ideological 'corridor' to enable communists of the most diverse shades to work together for a year or 18 months, with the exception only of the Nina Andreyevites and the rightist social democrats."

However, the chief impression from the first legal steps of those who are restoring the Communist Party is the following: this idea is arousing even less enthusiasm in the camp of leftist political parties than it is among their democratic opponents.

Even such a preliminary manifestation of the will to unification as the announcement of the congress in such an orthodox communist newspaper as PRAVDA turned out to be maliciously distorted. The signatures of the organizing committee for the 29th CPSU Congress and contact telephone numbers of the Russian Party of Communists (which, incidentally, at a congress held last weekend in Moscow decided to preserve its independence for the time being, and not to join the united Communist Party) appeared under announcement by the organizing committee of the Russian Communist Party congress. Evidently, the author of this muddle wanted to associate the upcoming February activity with the numerous and long-since compromised attempts by numerous "action groups for the restoration of the CPSU," which, from time to time, have on their own authority held various "restoration" Central Committee plenums and CPSU congresses and conferences. The influence of centrifugal forces on the left flank was evidenced by Valentin Kuptsov himself. He stated that "rivalry among leaders exists and will be stepped up

before the congress. Our work is being hampered by two factors—sabotage by alien forces, which specially plan divisive actions, and the ambitions of leaders who do not want to work in secondary or tertiary roles in a united party, and hold to the principle of 'let the party be small, but my own'."

However, if one believes the communist leaders of the "Gorbachev call-up," they would like to see "new, young people" in the leadership of the renewed Communist Party. If only because they themselves, by Kuptsov's admission, can no longer free themselves from the "train" of associations with Gorbachev. "I am still suspected of having ties with him and carrying out some sort of assignments from the former general secretary. Such rumors are being spread around Moscow even now," declared the former first secretary of the RSFSR Communist Party Central Committee.

Problems of the Communist Party's property were also touched on at the press conference. As is known, the Constitutional Court's compromise decision included the following contradiction: one-third of the CPSU's property—that which was created using membership dues (but, according to the statement of expert communists, that part constitutes 93 percent of all the property)—cannot be returned to its owners, the committees on whose balances it was listed before the well-known edicts, because they are not deemed legitimate. And the

territorial primary organizations with which the building of a new party is beginning did not own anything to speak of. However, the communist leaders base their own arguments on the claim that the sole owner and, consequently, heir of the CPSU's wealth, is the restored Russian Communist Party. In this connection, the only thing of which there are no doubts is that its representatives, if they really want to "inherit" anything, will face a lengthy judicial process. Not putting their hopes in the generosity of such a frugal owner as the state, and relying on their own broad ideological outlook, which acknowledges private ownership—albeit "without the exploitation of man by man"—the organizers of the Russian Communist Party intend to engage in commercial activity, but first of all to receive dividends from the money invested in commercial banks by the Communist Party of the USSR. As Kuptsov reported, such money amounts to about 600 million rubles (at 4-15 percent annual interest), which "as the Constitutional Court attested, is not a violation of the law. The party had the right to keep its money in banks and receive a certain profit." It is interesting that Kuptsov said at the same press conference that last August all the territorial party committees had ended their existence with a colossal aggregate deficit amounting to exactly R600 million. Only the Moscow City Party Committee remained a profitable enterprise.

POLITICAL AFFAIRS

Kravchuk, Plyushch Present Contrasting Local Government Concepts

93UN0407A Kiev URYADOVYY KURYER
in Ukrainian No 54-55, 20 Nov 92 pp 1, 3, 6

[Theses of presentations by President of Ukraine L. Kravchuk and Supreme Soviet of Ukraine Chairman I. Plyushch: "The Administration of Territories in Ukraine"]

[Text] Some 860 participants will gather on November 26-27 in facilities at the Kiev University imeni Taras Shevchenko for the practical-science conference "Topical Problems in the Administration of Territories in Ukraine." It will be conducted by the Administration of the President, the Secretariat of the Supreme Soviet, the Academy of Sciences, the Institute of State Administration and Self-Government of the Cabinet of Ministers, the university of the capital, the Fund to Promote the Emergence and Development of Local and Regional Self-Government and the Ukrainian Association of Local and Regional Authorities. Our correspondent visited the organizing committee preparing and conducting the conference, and had a brief interview with its secretary, the Chief Consultant for the Service of the President of Ukraine on Questions of the Territories, Viktor Dmytrovych Zima. Here is what he said:

"The work is coming to a close. You can judge the amount of it from the program for the coming event, in which all of the functions of the two intensive days are clearly scheduled. The topics of the principal reports and four co-presentations are already prepared. Suffice it to say that from the announcements, about 130 people will be speaking at the conference—the heads of local Soviets of People's Deputies, the chiefs of state administrations, scientists, representatives of social organizations etc. They will be looking at various aspects of territorial administration at all levels of authority. Speeches are also envisaged by guests from France, who will share the experience of the correlation of functions and the powers of state executive authority with the bodies of local self-government in their country."

Understanding the interest in the impending conference in Ukraine and beyond its borders, the organizing committee feels it is feasible to publish in the newspaper URYADOVYY KURYER, on the eve of it, the theses of the presentations of President of Ukraine L. Kravchuk and Chairman of the Supreme Soviet of Ukraine I. Plyushch.

Thesis of Presentation by L.M. Kravchuk

1. **Political and legal problems in the administration of territories in the process of development of Ukrainian statehood. Fundamentals of the regional policy of Ukraine.** Significant changes in all spheres of social life are taking place in the process of national resurrection and development of Ukrainian statehood.

This also pertains to the problem of the administration of territories. Attention toward this problem has increased in particular during the course of discussion of the draft of the new Constitution of Ukraine.

Territories are parts of the state with defined boundaries that are active participants in nation-building processes in Ukraine. The administrative-territorial units of Ukraine in the person of their population, the local authorities and the bodies of local self-government are the subjects of nation-building. Each territory of Ukraine has a prominent socio-economic and political nature that affects the development processes of the state. Each of the territories has its own view of what the Ukrainian state should be. The diversity of views is great. The historical lot of many territories is complex.

The interests of particular territories are taken into account in the course of nation building. The necessary consistency in overcoming negative manifestations that occur should also be displayed on the part of certain political forces in individual territories, those being first and foremost separatism, attempts to violate the territorial integrity of Ukraine within existing borders, the inflaming of nationalistic passions, the destabilization of the socio-economic situation and opposition to legislative and executive authority.

Today the question must be posed of increasing the role of the territories in the development of the state. The Constitution now in force does not reflect the role of the territories in the development of the Ukrainian state.

Ukraine has to formulate its own concept of a regional policy that envisages the resolution of the most difficult problems of the territories. The discussion concerns first and foremost the structural restructuring of the economy of Ukraine, the overcoming of existing disproportions, the rationalization and expansion of the geography of the business and foreign-economic ties of its separate regions, the decentralization of authority and the management of the economy, the strengthening of local executive authorities and the principles of local self-government and the improvement of the administrative-territorial system. The aim of this conference is to formulate recommendations for the development of the fundamental principles of the regional policy of Ukraine and to find the optimal model for the organizational structures of the legislative, executive and judicial authority at the territorial level and their interaction with the bodies of local self-government.

2. **Problems of the territorial system of Ukraine.** The present territorial system of Ukraine took shape under the influence of many historical factors. They include the inclusion of various parts of today's Ukraine in the composition of different states for the course of many centuries, the renewal of their territorial integrity, the results of World War II and administrative-territorial reforms in the former Soviet Union. Ukraine, at the time of attainment of its independence, was a highly centralized state that had the Crimean Autonomous

Republic in its makeup. The question arose of what the territorial system of Ukraine should be as an independent state. It is necessary to have a theoretical concept for that purpose. Foreign experience attests that the preparation of administrative-territorial reform requires a great deal of time. It would simply be unwise to make any changes in the territorial system without that preparation. It would only destabilize the situation. It would be expedient to preserve the existing territorial system at this stage.

But even today we must nonetheless focus in the development of a concept for the territorial system of Ukraine as a state. Our conference should make a definite contribution to that cause. The upcoming conference could envisage the resolution of such problems as the building of a unitary, decentralized Ukrainian state and the resolution of the question of the status of the capital, the city of Sevastopol and cities that are large industrial centers. We must think about the possibility of a more efficient linking of the administrative-territorial divisions with the specific socio-economic features of particular regions and the necessity of creating conditions for the development of local self-government, especially in rural areas.

3. The concept of state power and local self-government in Ukraine. A brief analysis of the development process of Ukrainian statehood testifies to the fact that a great deal has been done over the year of independence. This must be said in connection with the approach of the anniversary of the referendum. Ukraine faces the choice of a model for its statehood on the eve of the adoption of the new Constitution. A debate is underway—will Ukraine be a presidential-parliamentary or a presidential republic. There have been attempts by certain political groups to resolve this issue with the use of violent means. That is intolerable.

The choice of the concepts for the development of the territorial institutions of authority in our state depends a great deal on how we define matters at the upper levels. The times demand the rapid resolution of all disputed issues connected with the organization and activities of the local authorities. Local authority is the fundamental system of the state. We should determine what the local bodies of state executive power will be. All must be interested that these be strong bodies in the current transitional stage. The breakdown of authority sometime caused the adoption of the institution of the representative of the President of Ukraine, and the attempt in many regions was able to be gotten under control. It is necessary, meanwhile, to think about improving that institution today. The potential of the territorial representative bodies should be activated much more fully in order to solve territorial problems. We must also have a new concept for the formation of those bodies and a well-developed mechanism for their interaction with executive authority. Along with concrete proposals for the model of regional executive and representative authority.

The Ukrainian state, taking into account world experience and native historical traditions, is resurrecting the institution of local self-government. Local self-government can and should create a reliable mechanism for resolving many vitally important territorial problems. It has unfortunately not been possible to get by without mistakes right in the very initial stages of the resurrection of local self-government. The conceptual framework of the law "The Local Soviets of People's Deputies and Local Self-Government," which was adopted in 1990, actually propagated the ideology of all power to the Soviets. A real threat of the dictatorship of anarchy and arbitrariness arose. Every Soviet, after all, was actually a kind of territorial parliament. The new edition of the Law on the Soviets is based on the ideas of their destatization and transformation from bodies of authority into bodies of self-government. That process of remaking the local Soviets from bodies of state power into bodies of self-government is proceeding very painfully in many regions. Some have not even understood what local self-government is or what functions it performs. A great deal of misunderstanding has arisen on that basis between the Soviets and the representatives of the President of Ukraine—that is, between the bodies of self-government and the local bodies of state executive authority. Some of those misunderstandings are associated with the political struggle for the future path of development of our society and the imperfections in prevailing legislation. We must cast aside all accusations that anyone want to eliminate the Soviets. Soviets operate in the whole civilized world. Not as bodies of state authority, however, but rather as bodies of local self-government.

Local and regional self-government has revealed its ineffectiveness in its present forms. It is necessary to define on the basis of which of three principal theories the very concept of it has to be based. We should be inclined toward the choice of socio-economic theory. The bodies of self-government, in accordance with it, have their own authority only in purely local, economic and social affairs. They are representatives of state authority at the lower levels in the general political sphere. More precisely, they fulfill the functions delegated to them by the state.

We have to adopt laws on state and municipal service. This would create the legal foundation for the selection of personnel and the formulation of the necessary service morale and ethics. All is not well with that here today. We must prohibit state and municipal officials and deputies at all levels from engaging in entrepreneurial activity once and for all. Particular attention must be paid to the training of cadres. The question of the division of functions between state and local self-government and the determination of the substance of so-called "local affairs," as well as the division of powers between the central and local bodies of state authority in the process of decentralizing administration, is a complex one. Serious scientific research is required. This pertains in particular to the economic sphere.

4. Socio-economic problems of the administration of territories and the legal ways of solving them in the Ukrainian state. The local bodies of state executive authority and local self-government face difficult tasks in the economic and social spheres. These bodies fulfill important economic functions. A series of economic problems in the development of the territories require immediate solution.

The processes of municipalization of the economy of Ukraine should be completed. Municipal property should be removed from state power. A scientific conception of the objects of municipal ownership must be formulated. Municipal property is that property that belongs to the citizens of a territory with the right of collective ownership. It is the property of the residents of the cities, villages, towns and other populated areas. The land should also be included in its objects. Land questions are very acute. It should be established that the municipal authorities function only at the base level. Only under those conditions will it be possible to resurrect true local self-government in Ukraine. The bodies of authority at the regional level of authority exercise the administration of the objects of state ownership transferred to their jurisdiction. The mechanism for the utilization of municipal property must be regulated legislatively.

Municipal finances must in fact be separated from state finances, and the budgets for local self-government from the state budget. The mechanism of budget regulation must be improved. A modern mechanism must be created to even up the financial capabilities of the individual territories. The Soviets at the base level must be interested in earning funds. Local self-government is becoming an important subject of economic activity.

The functions of managing state property must be decentralized. The role of the local executive authorities must be raised, and they must be charged with the obligation of developing the market infrastructure.

The problem of utilizing regional potential has become acute. The potential of regional economic initiative, interregional direct ties and cooperation must be utilized. The local bodies of state executive power have to be full-fledged subjects of economic activity on questions of the management of state property.

A mechanism for the interaction of the state and local self-government in the economic sphere has to be worked out. The problem of the state delegating its functions to local self-government should be resolved. It would be expedient to create a Ministry of Affairs of Local Self-Government.

5. Constitutional principles for the administration of territories in Ukraine. There needs to be clear-cut constitutional regulation of the principles for administering territories in the draft of the new Constitution of Ukraine. This pertains to the territorial system of the state and the organization of state authority and local self-government. The conference has to make its own

contribution to refining the draft Constitution. The new Constitution should envisage such principles of the building of a unitary, decentralized Ukraine as would provide an opportunity gradually to improve the territorial system. The principles for the separation of powers and their equality must be defined more clearly. The discussion of the draft shows that the democratic foundations for the formation of executive structures in the local areas should be strengthened considerably, and a new model for their interaction with the bodies of local self-government proposed. It would be expedient, at the same time, to proceed with the development of a series of laws on questions of the administration of territories that would be of a constitutional nature.

Thesis of Presentation by I.S. Plyashch

1. The national discussion of the draft of the new Constitution of Ukraine has been completed. Its refinement is underway in accordance with the proposals and observations expressed. The sections of the Constitution on the principles of the state structure of Ukraine and on the principles for organizing state authority and self-government in the local areas proved to be the most contentious in the course of the discussion. The reform of organizations of state executive authority and self-government in the local areas that was carried out at the beginning of this year, at the same time, was subjected to sharp criticism, especially on the part of the local Soviets. The legal foundation of that reform, as is generally known, was the law of Ukraine "The Representative of the President of Ukraine" and "The Local Soviets of People's Deputies and Local and Regional Self-Government," as well as the Statute on Local State Administration that was approved by Edict of the President of Ukraine.

The reform implemented on the basis of those documents did not have the expected results. It caused the confrontation of the Soviets—as the bodies of local and regional self-government—and the local state administration, and created a kind of "gap" between them. The current political-legal status of the oblast and rayon Soviets as bodies deprived of any economic functions whatsoever, including the management of property that is under municipal ownership, has led to the depreciation of the very idea of regional self-government, and to a worsening of the political crisis in the local areas overall.

The rural, village and city Soviets—the status of which is entirely encompassed within the framework of self-government—has become directly dependent on local structures of state executive authority through the absence of a proper financial and economic base.

This situation is the legacy of the lack of a scientifically based policy in regard to organizing the state territorial system of Ukraine and organizing authority in the local areas.

2. Debates continue among politicians and specialists to this day on whether Ukraine should be a unitary or a

federal republic. Another, no less contentious question consists of which representative bodies, and at what territorial level, such bodies have to act as bodies of state authority, and which only as bodies of local self-government?

A division should be made in the system of the territorial structure of Ukraine into **state-territorial and administrative-territorial entities**. The former have to be the Republic of Crimea and the oblasts, and the latter the towns, village Soviets, villages, rayons, cities and rayons in cities. Bodies of state authority should be operating at the level of state territorial entities in accordance with this, and only the bodies of local self-government and their executive structures at the level of the administrative-territorial entities.

Assertions that the conversion of the oblasts into state-territorial entities will lead to a worsening of local separatism, increasing autonomy and, thus, to the federalization of Ukraine, which will not further a strengthening of its conciliarism, are hardly well-founded.

There are, as is generally known, different types of autonomy, and the so-called administrative (oblast) autonomy in particular. As opposed to autonomy, the subjects of which arise from below, as a consequence of free self-determination and voluntary association into a federation on the basis of a federative agreement, local administrative autonomy is instituted from above. It is an important form of decentralization of state power under conditions of a unitary state, and envisages the delegation of legislative and executive functions to the local area. That autonomy cannot transform Ukraine into a federal republic.

The institution of administrative autonomy removes a great many problems of an economic, social and political nature, opens up an expanse for the more efficient utilization of the intellectual and other potential of particular regions and includes them in the process of nation-building and the implementation of economic reform. An attempt to pursue reform only from the center or only through a centralized system of executive authority is, as world experience testifies, without prospects.

The destatization of the Soviets of People's Deputies at the oblast level has proved to be a mistake. Bodies of state legislative (the oblast Soviets) and executive (their executive committees) authority with clearly defined legislative and executive functions have to be operating there. The amount and nature of those functions could be defined by a constitutional law on the oblast, as has been done in regard to the Republic of Crimea. That would make it possible to delimit the authorities of the capital and regional power structures and to ensure, including with the assistance of legislation, what is taken on by the oblast Soviets, the comprehensiveness of the economic development of the region and the leadership of particular areas of it. The opportunity would appear then for the harmonious combination of general state

and regional interests, national and cultural traditions, specific geographic and demographic features etc. This model for the organization of state authority at the regional level, as world experience in the creation of states attests, is the most expedient under contemporary conditions.

3. Only local self-government in the person of the corresponding Soviets of People's Deputies and their executive bodies, which are the bodies of the corresponding territorial communities, should be operating at the level of the administrative-territorial entities. They are called upon to resolve both those issues that flow from the collective needs of their communities (*i.e.* issues of local significance) and those authorities of a state nature delegated to them by law. That is, they will be the complete masters on their territories, responsible for their comprehensive social and economic development.

In the event that the oblasts are endowed with the status of state territorial entities, only two levels would remain in the system of administrative-territorial division and, thus, in the system of local self-government: the primary (the town, village or city) and the rayon.

One problem that is very topical today is the question of what to consider the base level in the system of local self-government—the town, village or city, as today, or the rayon and the city of so-called oblast and republic significance. It is namely that structure that is being proposed by many scholars and practitioners.

Today only the cities of oblast and republic significance and the rural rayons have the necessary conditions for realistic self-government. As for the towns and villages, they are still incapable of meeting all of the requirements of the vital activity of a person that should be accomplished namely at the base level of self-government without the assistance of the rayon, despite the broad authorities they have been endowed with.

As for self-government implemented at the level of the towns, villages and cities of rayon significance, as well as rayons within cities, it has to be included (incorporated) into the system of self-government of the rayon and the city with rayon divisions. The rayons within cities have that status at once. The bodies of local self-government operate with that status in other countries as well.

4. The necessity of the existing oblast state administration will recede in oblasts under the conditions of the institution of administrative autonomy there. The functions of that administration will be entrusted, as before, to the executive committee of the oblast Soviet or another executive body of it.

In rayons and cities of oblast and republic significance the managers should be only the bodies of local self-government—the Soviets and their executive structures.

I foresee that there could be objections of this nature: how can we get by without a system of bodies of

executive authority from the top down, what then will be the organizational core, the foundation of the state? I would give this answer: that core, the foundation of the state, should be the law, and not an executive structure. Countries exist, after all, where there is no vertical presidency or government at all, with only local bodies of self-government operating in the local areas, exercising both their own self-governing functions and those functions of state administration delegated to them by law. There are also countries in which vertical government has been instituted, but their local links (government commissars) do not take upon themselves all of the functions of state supervision of the corresponding territories, but rather only perform a monitoring function apropos of the bodies of local self-government, i.e. administrative tutelage.

Such is an overview of the problems that are the topic of discussion at this practical-science conference.

Strengthening of Presidential Administration Advocated

93UN04984 Kiev *VECHERNIY KIYEV* in Russian
2 Dec 92 pp 1, 4

[Speech by Ivan Saliy: "Strengthen Executive Power, Don't Play out a Theater of the Absurd"]

[Text]"Strengthen executive power, don't play out a theater of the absurd"—this was the leitmotif of Ivan Saliy's speech at the science-practice conference on 27 November 1992. We are publishing the talk in today's paper.

To all appearances already at its birth our statehood is destined to be in a state of permanent experimentation, a state of revolution, and—I would say—suicidal struggle.

The recent period has been no exception. The 2 years since democratic elections and the fall of the one-party system have passed under the slogan, "All power to all the soviets!" I am not against the soviets either, but the situation has to be evaluated realistically.

The results of these 2 years are well-known. Even our parliament, becoming disenchanted with the viability of such a form of governmental organization, was forced to declare itself the only legislative organ. All other soviets were given the rights of local and regional self-government.

This was an absolutely correct decision. But this form too proved bankrupt under conditions of the profound systemic crisis in society, which brought to life the presidential vertical form. This is precisely what, in our firm conviction, is holding the state and the economy back from a final collapse at present. Its structures do everything they can for this. It is not the president's representative who is to blame for the shortage of fuel, the collapse of the finance-credit and banking system, and the adoption of unrealistic, populist programs of social protection of the population

At the same time the appearance of the presidential vertical form sharpened the issue of the division of powers, which had existed before but not in such stark form. But the tendencies to demarcate authority and restore state management of the socioeconomic sphere did not receive further scientific substantiation and legislative development. No one today will say for certain what form of power we have—soviet, parliamentary, or presidential. It is all of them at the same time. It is tragic that harmony has not been achieved, the forms of government are supplanting one another, and mutual discreditation is occurring. We are not so numerous, and there is work for everyone. Let us preserve one another.

The mixing of the three forms of governmental power introduces confusion into everyday life and conflicts with the need for a resolute reform of the economy. After all, no one has undertaken to conduct the reforms and answer for their consequences. They have dumped it on one another, and now given it to the new government.

In the hundreds of soviets debates have been going on for days and months, and even years already, about problems that cannot be put aside.

The representatives of the president and the local state administrations which are fully responsible for the economic and social development of the territory are operating under the constant supervision of the representative branch, and with frankly restricted powers, in conditions of moral terror. Responsibility exists, but they are not permitted to act decisively, based on the existing situation.

For us the "pincers" of which Ivan Stepanovich Plyushch spoke often turn into a real guillotine. It is necessary to maneuver among laws, edicts, and decrees which do not match one another or may even be mutually exclusive. If you follow one, you violate another. Each structure can find legislative support for itself, sweeping away the interests of the others. The goals, the motives here are not always noble but the intentions are sincere.

I am sure that to normalize relations between representative and executive organs it is necessary above all to coordinate the positions of the president and the chairman of the Supreme Soviet on this issue. But to simply release the chairman of the local soviet and the president's representative in case of a conflict, as Leonid Makarovich said, is no solution. We believed in the president, followed him, and are carrying out his policy.

Given our traditional inclination to personification we still should not reduce the principles of the confrontation of powers to nothing but personalities. The causes are much deeper and more complex.

The ancient illness of our representative branch is too much talk and not enough concrete, constructive action. So what will happen next?

A massive attack has developed today on the institutions of presidential power and preparations are underway to dismantle it, and accordingly to limit the president's powers. These structures, they say, did not live up to the hopes for them and are the main reasons for the confrontation that has occurred. I am sure that it is unscientific and simply unethical to draw such all-encompassing conclusions after just 7 months of their existence. Especially when it has been possible to do a great deal in this short time.

This is not the time or the place for self-reports, but here is at least a sketchy description of some of the results secured by the urban state administration.

When the Kiev administration was appointed tax revenue was zero. It is now 3 million dollars. Rent payments have risen from 60 million rubles last year to 500 million this year.

It was possible to gather non-budget capital and save the capital construction program. More housing will be introduced this year than last, if there is fuel, of course. The charters of 1,590 enterprises have been brought into line with the law. They now know that they are state or communal property, and they are privatized when a session of the Kiev Soviet considers it wise.

The administration has issued 1,500 directives, not 1,200 as the chairman of the Supreme Soviet said, and this means intense, important labor. They say that the Kiev Soviet was not shown, not given directions. But who is supposed to give directions, in the summer for example when there is no one there? On the other hand the procurator has all the directives and the press knows more about them than I do.

What is work today is defined by the Kiev Soviet as "work" because we do not have the powers which it itself typically has. And the administration itself they call "non-institutional."

All that must be put to this kind of theater of the absurd. We have a final chance to stabilize the situation in the capital and put the organization of power on a civilized basis.

Let us ask, too, our conference to facilitate this. Unfortunately I see no such possibility in the verbose and ineffectual draft of its recommendations. They cannot be put into effect in the proposed form.

It is clear, another tilt is being made in the direction of the omnipotence of the soviets. But this is a direct attack on the principle of division of powers, the fundamental principle of a law-governed state. In short, what are we building? Another power structure? Then here is what must be said: we are building a bourgeois-democratic republic. Then let us take responsibility, but at least do something.

Let us keep in mind that historically our soviets, by their very nature, have always been oriented toward the concentration of power and they never share it with

anyone. In their present-day composition they are incompatible with a market economy; they are drawn to distributive and disposal functions.

With such an approach we risk returning from the end of the 20th Century to its beginning, when the well-known slogan, "All Power to the Soviets!" originated. That will really mark the final collapse of the idea of our statehood.

Whether people like it or not, attempts to limit presidential power are dangerous. Look around, around the borders of our state. Finally, look at world experience. It is precisely presidents who have brought their people out of crises: Roosevelt, de Gaulle, Tito. The institution of the presidency is an important consolidating factor in society.

We think that there should not be anyone in structures of power who, with unlimited rights to make decisions, does not bear responsibility for their execution and possible consequences. The path to this is the transition to municipal soviets where all populated points in the territory have elected mayors and, in part, mayoral teams, which are not the deputies in general but rather municipal advisors. And accordingly these people, as officials, bear full responsibility for performance not only of their own service duties but also carrying out the election programs for which the voters gave them their preference.

Only in such conditions will we have in power real professionals who not only want to do things but also are knowledgeable and capable. It is possible that in exactly this way we will be able to avoid excessive politization in the activity of governmental organs and in economic development of the regions, where up to 20 parties are already in action.

For now the president and the parliament have given the government additional powers. This was a forced and correct step which should have been taken long ago. But it should be followed by the next one, this time by the government itself. It should delegate powers to its subordinate structures, the ministries and local state administrations, for a similar period of time. The regions should receive, as communal property, without delay, not only those institutions which are spending the budget but also those which are replenishing it. This includes highly profitable ones.

There is one more thing. Let us stop, for at least half a year, all fighting in the power structures and try to achieve smooth, constructive work no matter what.

This time must be used not just to mitigate crisis phenomena in the economy. We must lay the foundations of political stability in our state. This means, above all, adoption of a new Ukrainian Constitution. This should not be done by the Supreme Soviet, which was elected before adoption of the Declaration of State Independence, but rather by an All-Ukrainian Assembly.

of Electors. They can be elected along with the mayors and new members of the organs of municipal self-government.

Everything can still be corrected. Strong, skillfully organized, and effective governmental power is the framework, the core which holds together all society, respect for the law, and personal rights and liberties.

By-Election Results Analyzed

93UN04974 Moscow NEZAVISIMAYA GAZETA
in Russian 9 Dec 92 p 3

[Article by Vladimir Skachko, under the rubric "Ukraine": "The Opposition Lost to the Sovereignty Communists"]

[Text] The final results of the second round of by-elections of people's deputies of Ukraine, held on 6 December in several election districts, have been announced. In many districts not a single representative of the opposition or, as they call themselves, democratic parties was elected. The situation is the same according to the overall results of the by-elections to the republic Supreme Soviet.

Of course, the first round of elections was held in November in 27 districts and 4 people's deputies were elected. In all 13 deputies were elected; 5 of them were enterprise managers, another 5 were representatives of soviet organs, including the chairmen of the Vinnitsa, Kiev, and Odessa oblast soviets, and 3 were cultural and educational figures.

In the words of Ivan Plyushch, the speaker of parliament, the elections were a kind of sociological survey which showed, in the first place, the extraordinary political passivity of the population and, in the second place, people's unreceptiveness to the ideas of the particular parties. Of all the political parties, only some socialists declared their active participation in the results of the election. Aleksandr Moroz, their leader, announced after the first round of elections that they had been victorious because all the candidates supported by the socialist party came through the round. He can say the same thing about the second round of by-elections.

The democratic camp was split on the eve of the election. The People's Rukh of Ukraine and the New Ukraine Association, as the largest opposition political forces, announced that because they were calling for disbanding the Supreme Soviet of Ukraine in its present composition there was no need to get their deputies elected to it. Smaller parties, among them the Ukrainian Republican Party, the Democratic Party of Ukraine, and the Peasant Democrats, either nominated their own candidates or supported candidates close to them, but their representatives did not make it to the second round. The picture was the same with candidates from such extreme nationalist formations as the Ukrainian National Assembly or the Ukrainian National Self-Defense League. In the

districts where their candidates were nominated the voters simply did not come out.

The results of the voting illustrate eloquently that the democratic camp's lack of constructive programs and continuing internal division are having an impact on public opinion. But neither should we exaggerate the success of the socialists and fear their rapid arrival in power. The socialists themselves have guaranteed Ukraine against the possibility of a close repeat of the Lithuanian variation by declaring, in their second congress in November of this year, their opposition to the so-called Ukrainian party of power. In this way a split finally developed among the sovereignty communists who came to power in December of last year. The more orthodox ones, who formed the socialist party, declared political war on those who are now in power at all levels but have refrained from forming into a party. This split in the post-communist camp significantly weakens its forces, while the band of voters devoted to economic and soviet leaders can be explained by fatigue from economic instability and the sterility of political battles.

Results of Rukh Congress Summarized

93UN04978 Moscow NEZAVISIMAYA GAZETA
in Russian 8 Dec 92 p 3

[Article by Vladimir Skachko, under the rubric "Ukraine": "Rukh Has Become a Political Party and Remains a Social Organization—and It Has Ratified Its Conception of Development of the Ukrainian State"]

[Text] The fourth congress of the People's Rukh of Ukraine, which ended Sunday, was a turning point in the fate of the republic's most powerful political force. Considering the rejection of the word "party" which is widespread in social consciousness, Rukh theoreticians and lawyers were able to find in Ukrainian law on citizen associations a possibility of keeping Rukh's chosen title. "Independent mass sociopolitical organization which arose and operates as a manifestation of the people's initiative." Rukh only changed its charter, removing the provision on entrepreneurial and commercial activity, and in this way transformed itself into a party-type political organization. To preserve the mass character, it was included in the charter that registered, sympathizing, and associated members can join Rukh. Two political parties, the Social Democrats and the Peasant Democrats, which before this were associated members of Rukh, announced at the congress that they are forming a political coalition with Rukh.

Rukh leader Vyacheslav Chornovil announced that Rukh will continue to coordinate the democratic forces of the republic by creating political blocs with various parties, except the socialist party.

The institution of co-chairmen was abolished at the congress, and Vyacheslav Chornovil was elected sole chairman. In the organization's leadership, the Central Provid, the congress managed to assemble politicians and skilled specialists who are well-known in the

republic, including Les Tanyuk, member of the presidium of the republic's parliament; former deputy chairman of the National Bank Aleksandr Savchenko; chairman of the Association of Ukrainian Lawyers and people's deputy Sergey Golovatyy. Ivan Drach was elected first chairman of the Rukh Provid.

But the principal result of the congress was adoption of Rukh's Conception of State Development, which is also Rukh's platform for the upcoming elections. It states: "The state originates from the civil society. Only from a civil society can the state receive its legitimacy. The state cannot stand above society or even on a par with it. The state should serve society." Rukh favors an independent, national, democratic, and law-governed state. The delegates voted to reject the idea of federative restructuring and wrote in the Conception that Ukraine will be a unitary republic with elements of territorial autonomy. The words of Refat Chubarov, chairman of the Crimean Tatar Medzhlis, that it is necessary to support his people's aspiration to restore their trampled statehood, were greeted with applause by the delegates to the congress, and they promised Rukh support for restoration of an autonomous Crimean Tatar national-territorial unit in the Crimea. The congress defined the operative government in the Crimea as anti-Ukrainian and called for it to carry out Ukrainian laws.

In internal politics Rukh favors unconditional market transformations. Rukh considers the main condition of Ukrainian national security and the activity of the corresponding republic department to be integration into European economic and political structures, withdrawal from the CIS as the only condition for getting rid of colonial status, and signing absolutely nothing but equal, advantageous interstate agreements with all states, including Russia. Rukh supports Ukraine's aspiration to have non-nuclear status. As for removal of military weapons from the republic, the delegates to the congress considered it wise to wait until Ukraine receives a full guarantee of security.

Because the Conception of State Development presented by Rukh at the congress was also ratified as its election platform for the upcoming elections to organs of power at all levels, Rukh continues to call for the elections to be held as soon as possible and also for disbanding the present parliament. Rukh declared its constructive opposition to the powers and at the same time its support for the government of Leonard Kuchma, while reserving its right to criticize.

It was possible to avoid a split at the congress, and so it can be said that Rukh has overcome its organizational and political crisis and is successfully transforming itself into a qualitatively new political force in Ukraine.

Cabinet of Ministers' Appointments Published

93UN05251 Kiev URYADOVYY KURYER
in Ukrainian 27 Nov 92 p 2

[Report: "Ukrainian Cabinet of Ministers Has Appointed the Following Persons to the Positions Indicated:"]

Soskin, Oleh Ihorevich—adviser to the Ukrainian prime minister on macroeconomic affairs.

Ryzhov, Volodymyr Leonidovych—adviser to the Ukrainian prime minister on macroeconomic affairs.

Lelyk, Petr Vasylovych—adviser to the Ukrainian prime minister on political matters.

Tkachuk, Zenoviy Yuriyovych—adviser to the Ukrainian prime minister on matters of science and the agroindustrial complex; released from his former position as adviser to the Ukrainian prime minister.

Osyk, Serhiy Hryhorovych—adviser to the Ukrainian prime minister on foreign economic matters.

Korzh, Anatoliy Volodymyrovych—adviser to the Ukrainian prime minister on control matters.

Myronyuk, Hennadiy Ivanovych—chief, Department of Scientific Affairs, Ukrainian Cabinet of Ministers.

Budzan, Bohdan Pavlovych—chief, Department on Ties With International Finance Organizations, Ukrainian Cabinet of Ministers.

Hryhorenko, Yevhen Mykolayovych—chief, Department on Matters of Property and Enterprise, Ukrainian Cabinet of Ministers.

Pidlisnyuk, Viktor Vasylovych—chief, Department of Market Affairs, Trade, and Services, Ukrainian Cabinet of Ministers.

Kharchenko, Ihor Petrovych—chief, Department of Social-Labor Relations and Ties With Labor Unions, Ukrainian Cabinet of Ministers.

Fedorchuk, Yaroslav Petrovych—chief, Department of Cooperation in Delivering Manufactured Products and Engineering Equipment, Ukrainian Cabinet of Ministers.

Yurkov, Yevhen Stelyanovych—chief, Department of the Fuel-and-Energy Complex, Ukrainian Cabinet of Ministers.

Fomenko, Mikhayl Volodymyrovych—chief, Department of Education, Culture, Health Care, and Social Security.

Syrov, Petr Kyryakovych—chief, Department of Foreign Affairs, Ukrainian Cabinet of Ministers.

Shydlovskiy, Serhiy Hryhorovych—chief, Department of Ecology and Comprehensive Environmental Protection.

Minchenko, Anatoliy Kalenykovich—head, Ukrainian State Committee on Material Resources.

Deputies Faulted for Lack of Human Rights Support

93UN04684 Kiev *NEZAVISIMOST* in Ukrainian
4 Dec. 92 p. 4

[Article by V. Nikazakov, chairman of the League for the Protection of Human Rights, under the "Point of View" rubric: "The Desire for Legality"]

[Text] An observation of events in Ukraine in the recent past permits one to come to several unpleasant conclusions.

FIRST. The majority of us, with the exception of those who have managed to join the close circle of corrupted and mafia-oriented groups, have found ourselves in the position of underground illegals. Laws do not function because of the absence of a "mechanism," as the president himself has complained more than once to us: the judicial system is fettered with telephone, lobbying, and other such "rules," and the procuracy is doing all it possibly can in the fight with the legislator over the expansion of the former's powers with regard to the right to quash administrative documents; and the militia has many problems of its own. As a result, there is no one to defend us. Our sole hope is in the gas canisters and guns that have been permitted (for the time being).

SECOND. The majority of legislators genuinely (in more than words) are inclined toward the doctrine that originated with Ivan Drach—to the effect that "statehood" is the true doughnut, while "democracy" is only its hole. There is every reason to expect that in place of a Ukraine doughnut, they will begin to bake for us (and are already baking) an Albanian loaf of bread with no hole at all, in the name of our unity and independence.

THIRD. As it appears from point 1 of Article 178 of the draft Constitution that has been "published," the president of Ukraine himself is called upon to be the "guarantor" of my rights and freedoms (and yours at the same time—reader). Is each newly elected president really going to begin crossing his heart and pledging his troth as a sign of "renewal" of those "guarantees"?

FOURTH. None of today's "creators of the state" or the "leading figures of Ukrainian renewal" from among those who have donated their two-piece suits and spectacles to the historical museum have been able to convince me that I—a person—will occupy a prominent place in their plans to "assert statehood."

FIFTH. The proposed Constitution can only throw a veneer of legitimacy over our virtually extralegal status and underscore the inability and reluctance of the state to ensure observance of human rights and freedoms. This will occur with the aid of numerous "referential" articles of the Constitution that open the gate to the

actions of USSR codes still in full force that, according to the accurate conclusion of Vsevolod Retsyskyi, assistant professor of the Ukrainian law academy, "turn us into slaves in the full sense of that word."

SIXTH. This programmatic legalization of lawlessness as a result of a decline in political activity, as a result of conscious and unconscious profanation of the very idea of democracy on the part of the numerous "leading figures" of the national-democratic movement and as a result of the habit, inculcated by decades, of mindlessly yielding to authority and accepting arbitrariness as a given, will take place almost unnoticeably.

Who Will Object?

If society is unable in the immediate future to organize legal and civilized pressure on the state with the goal of compelling it to adhere to the rights of people in Ukraine, a gradual return to totalitarianism in full measure is unavoidable.

I am aware that merely the word "pressure" is able to give a toothache to the associate lawyers in the state service; others see in this a call for violence, while still others consider rights and freedoms in general to be the root of all the evils that have befallen Ukraine in the recent past (that have "unraveled the people"). Thus I must recall the words of a famous defender of human rights, William Douglas, a former U.S. Supreme Court justice, to the effect that the most important difference between a democratic country and a totalitarian one consists in the existence in the former country of civil rights, and that this difference is much more significant than any difference in economic or social systems. Roger Pilon, a philosopher of law and another American, adds that everything depends on the solution of this problem—from prosperity to peace. You see, then, that it is better to organize pressure on the state to observe human rights than to let it be "unraveled." If there occurs an explosion, down to the bottom, of the "assertion of statehood," could anyone expect to get again to a constant struggle on human rights?

As a result, we need "pressure" (not all-round publicity influence) on the state in the manner of observations in Western democracies. The administration of the Ukrainian Legal Foundation has come to the same conclusion, having created the League for the Protection of Human Rights in Ukraine. One may learn in more detail about the program and tasks of the League from its publication, which was published recently. But before moving to the tasks, there is reason to talk about our fundamental matters as a sense of law and order, forming a constitutional system, etc.

A Sense of Justice

Psycholinguistic portraits of the majority of our representatives lead to the conclusion that a low level of a sense of justice is a common feature of them. Ideologicalization of legality with order takes place most often. This proves that even a "right" is accepted only when it is

president in the Ukrainian draft of the Constitution is anathema for democracy and self-administration. Another example—as a prototype of the future, the American Constitution of 1787 electrified the world and inspired millions of citizens. What kind of electricity are we receiving from “our” draft? Restrictions on human rights. The absence of a well-thought-out system of checks and balances among the legislative, executive, and judicial powers. Neglect of the principles of self-administration. There are good reasons why no “national” discussion has taken place.

We need to inform our “representatives” that people need the kind of Constitution under which they can sign “We the people of Ukraine” without embarrassing themselves before one another and their children. We have had enough of turning the people into a “third person singular.”

Ukrainian legal science is only beginning its renewal. And one cannot at the very start throw down to it a new model of legality “from the top downward,” with the difference that in place of a tsar or the CPSU, something “independent” and “integral” is proposed.

ECONOMIC AFFAIRS

Symonenko Discusses Function of President's Socio-Economic Council

93UN05234 Kiev GOLFOS UKRAINY in Russ and
4 Dec 92 p 3

[Interview with V. Symonenko, chairman of Socio-Economic Council of the President of Ukraine by A. Vladimirov, place and date not given. “Forecast for the President”]

[Text] The first session of the Socio-Economic Council of the President of Ukraine took place on 2 December. Taking into account the heightened interest in the presidential structure which was created, our correspondent interviewed V. Symonenko, chairman of the Council, following the session.

[Vladimirov] Valentin Konstantinovich, what was the need prompting creation of the Socio-Economic Council of the President of Ukraine?

[Symonenko] The considerable need for creation of the Socio-Economic Council of the President of Ukraine is conditioned by a weakening of executive power and the need to bring government into line with its existing needs of society. Therefore, it is necessary to differentiate three principal factors: to be able to find the adoption of such a decision.

The first one is the necessity to give adequate impetus to the process of the identification of the regulation of socio-economic development, to make it more coordinated and aimed at the needs of society. The second one is the necessity to make it possible to coordinate the development of the economy with the needs of the population.

The second one is the aggravation of contradictions between laws adopted by the parliament in reality and the realities of life. As a consequence it is necessary to improve scientific-methodological support and preparation of new draft laws being introduced in parliament by the president as his legislative initiative. This also applies to amendments and changes of existing legislative acts. The granting of additional powers by parliament to the Cabinet of Ministers merely cannot solve the existence of crisis situations in the legislative sphere and underlying state regulation of the economy.

The third one is the need to predict the future, to foresee the development of events. In these dangerous times, it is very important to have some predictions of the consequences yielded by the realization of socio-economic reforms. The Council which was created will deal with itself specifically with these issues.

Unfortunately, even before its official birth the Socio-Economic Council felt the unhealthy atmosphere of individual legislators and political figures. They cannot see any unbiased individual can understand that the state is able to perform his constitutional duties only with the existence of the apparatus of law and order. That is confirmed by the experience of other countries of the world. It is specifically for this reason that I cannot regard any rebukes addressed to the Council as anything other than an attempt to divert political circles to channel the unhappiness of the population into newly created and I stress, purely formal structures.

[Vladimirov] Still, is the Socio-Economic Council an alternative government or a structure parallel to it?

[Symonenko] The Socio-Economic Council is not a power organ, but a think tank which helps the president of Ukraine in formulation of socio-economic policy and serves as a mechanism for its implementation.

That is, we are speaking not about the creation of a structure paralleling the Cabinet of Ministers, but about the confirmed by the functional kind of this structure. On the one hand, must make general economic analysis and formulate proposals to the president to raise these issues before the parliament and the government while, on the other hand, must monitor progress in the fulfillment of the tasks set by laws adopted by the president in the socio-economic sphere.

Diffusion of management decisions by heads of various structural units leads to delays in the adoption of decisions in the sphere of socio-economic development. With representatives of the government, the Socio-Economic Council will be able to most effectively coordinate the work of the regional levels of administration and to monitor progress of socio-economic development.

And it is necessary to remember that, and I stress this, all actions of the Council are guided strictly by instructions of the President.

In this manner, the Socio-Economic Council of the President is not an alternative to the Cabinet of Ministers. All the more since it already includes the Alternative Economy Council as well a Council on Political-Economic Issues. This reflects the desire of the government to seek and adopt the most well-balanced and weighed decisions. I think that the president as well as this reason to carry out such a search in adopting these with decisions.

Question 1: Please describe the structure and composition of the presidential Council that was created.

Sciences of the USSR. It includes practical experts, executives, and researchers with a market orientation and a knowledge of the achievements in world economic thought and highly skilled specialists on questions of forecasting the consequences generated by implementation of social and economic reforms with their sociological ramifications, their legal and informational support, as well as on formulation of economic policy in support of entrepreneurial financial policy-making, macroeconomic analysis, and experience in management of market systems and social and economic safety of regional and other aspects of state economic regulation. It is specifically in these spheres of economic science that, on instructions from the president, these scientists are presently giving an expert objective evaluation of decisions submitted by corresponding organs of state executive power as well as of the drafts of interstate agreements of a social and economic nature, or submit proposals for the implementation of mechanisms for the exercise of the organs of state executive power at all levels.

It performs its work mainly through meetings. At each meeting a point decision is hammered out. The number of specialists to the Council is determined by the responsibility in the fulfillment of tasks assigned to the president and the promptness with which he is prepared for him. I will note right off that in connection with the personnel question we attempted to keep the work of the Council free from any kind of interference or bureaucracy. It is specifically this that has kept good decisions from becoming paralyzed in

— The State Economic Council is supported financially by some of the President's Administrative departments of financial policy and of foreign property investments and enterprises. All companies within the sector are territorial units of the new, completely new

And, from Kozyrskiyevskiy, it is understood that the above commensurations here, in the capital, are not commensurations of the material, but of the ideal. So, $\text{E} = \text{E}(\text{commensuration})$, and, $\text{E}(\text{commensuration}) = \text{E}(\text{commensuration})$.

[Symonenko] First of all, it is highly important to determine what mechanism is needed for the formation of organs of state power and local self-government. Resolution of this question will decide whether we will be able to create effective executive power or whether it will continue engaging in the prolonged struggle which is going on today. For that purpose, it is necessary to work out the concept of optimal organizational structure of territorial management. The Council must prepare such a concept, work out a reliable interaction mechanism not only between local organs, but along the vertical line of state power, and submit it for consideration by the president.

The second problem which demands resolution is utilization of the regional potential. An important place in the resolution of this question is occupied by central governmental power. Without its assistance local organs of power cannot effectively create appropriate conditions for structural reorganization of the economy and the development of a market infrastructure. This involves the process of delineating property among the subjects of administration and elaboration of the process of delegating numerous important functions that were formerly performed by central organs. These are very complex issues on which the Soviet Government Council will have to work together with other governmental structures.

The third issue is analysis, substantiation and elaboration of a strategy for the development of a market economy in Ukraine which cannot exist without consideration of the interests and needs of the territories. The Council must assist the president and his representatives with the resolution of the above tasks. The president has his own vision of regional problems and approaches to the resolution of the major, complex and sensitive and the management of that process. Therefore, the Council, as a consultative organ of the president, must thoroughly analyse and provide the president with the necessary while formulating recommendations for the development of that policy.

The Commission will also begin to coordinate its work with existing practices, implementation of its projects, and its policies and directives.

[Abstracts] Issues and Commentary

Former Vice Premier Lanowsky Gives Recommendations for Overcoming Economic Crisis

THE UNIVERSITY OF CHICAGO PRESS

In the first place, they profess and practice the concept of introduction market relations manifested in their extreme hope for a solution on achieving a balance between the means of increased taxation of the general population (a value added tax and customs duties). In this sense, the enforced sale of currency was not the state at the state rate of exchange, but that this tactic suffered a failure. Thus, the anticipated revenues, especially, amounted to only about one-tenth of the total in the first six months of the year. Therefore,

of price increases on food items during the above-indicated 10 days also amounted to about 40 percent. Even though we still lack a detailed analysis regarding the price dynamics for other items, it can be stated with a high degree of reliability that they have crossed the quantitative line of hyperinflation (about 50 percent a month).

At the end of the summer it could be foreseen with sufficient probability that by November the rate of inflation would range between 10-15 to 25-30 percent per month; and I also wrote about this. I likewise conjectured that hyperinflation would begin approximately in January 1993, when the volumes of industrial and agricultural production could decline substantially while the inflationary spiral (prices—wages—issuance of currency) continues to rise. But, unfortunately, reality exceeded expectations. The inaction of the government and the National Bank in September-October in conjunction with Russia's refusal to accept Ukrainian payments speeded up the destructive nature of the inflationary processes.

Such a reaction on the part of Russia's banks was adequate—they did not want to accept the money of our enterprises—which had declined in value—at the old price (1:1) without taking into account the actual decline in value (devaluation) of the coupons. This was a reaction to the delay on the part of the Ukrainian side in setting up a realistic monetary exchange rate in the computations between states.

Under the conditions of a closed national monetary system hyperinflation will lead to a situation whereby our store shelves will have even fewer food items, and even less materials and equipment will be sent to our enterprises. With open economic borders, such as we have nowadays, every goods-producer will strive to sell as much of his own products as possible to countries having a convertible monetary unit—convertible either into goods or into hard currency. But if the borders are closed by administrative fiat, then the lack of desire to sell products within the country—for money, which is losing its value at a galloping rate—will result in the abandonment of production volumes and enterprises moving out of Ukraine.

It is clear that **hyperinflation has become Enemy No. 1**. We need a special anti-inflationary program. And—finally—we need to cut out and discard our carelessness in conducting our financial-monetary and credit-assessing policies, as was the case up to now. (We were also lulled by the fact that in Germany and with other states—they used to take a portion of our excessive inflationary monetary mass into account).

Taking all these circumstances into consideration, how should we assess the **programmatic speeches of Prime Minister L. Kuchma**? In many places positive, and favorable. The foretold territorialization of new system of taxation, abolition of the currency deductions and contributions to the state. In contrast to the Russian

government, the Ukrainian government plans to level out the budget by means of issuing state securities and a favorable interest rate on bank loans as well as long-term state bonds. Of particular importance is the desire to make the transition from a centralized to a decentralized system, the market formation and distribution of investment resources. This cannot fail to facilitate the living up of production in our society.

But will hyperinflation be conquered? Will not the authorities slide into using force and the unbacked issuance of money for an illusory restoration of production turnover? Will the principle of decentralization be maintained in the areas of circulating goods, currency, investments, and credits? Will it not turn out that behind the statements regarding the regulation of wages and the stabilization of prices there is an understood administrative designation of them? So far nothing has been said about the conversion of military production and the cutback of money allocated to defense. But without this, a deficit-free budget is something from present-day mythology.

A disturbing lack of confidence is also caused by belittling the problems of paramount importance regarding transforming the economic management methods to be used in the state sector, where most enterprises nowadays clearly fall outside the market horizon. I would like to believe that here too the new leadership is placing its hopes not on administrative-force methods, but on motivational-market levers.

But the main topic is still the attitude toward private enterprise and privatization—the keystone of the reform. There are still some questions here.

Nowadays it is important that the new government more quickly recognize the importance of private enterprise, create additional preferences for it, facilitate the commercial infrastructure, and provide consistent guarantees for this sector. Furthermore, it is necessary to quickly straighten out the quasi-schematic changes in the laws and program for privatizations, changes made at the very end of the spring parliamentary session. We also need to expand the degree of competition, including nonstate enterprises as well as state firms, without excluding therefrom the centralized material-financial and currency aid to existing enterprises. At the same time, we must also urgently accord special property rights to the managerial personnel of all state enterprises (including banks and other financial institutions). Without this there will be no shifts in the necessary direction.

A critically important phase of the reform will have to begin with the development of a securities market, whose issuing units would be the state, the banks, and the business entities. This would solve many problems regarding payments, conversion, servicing of foreign-bursing debts, privatization of property, as well as the stability and concentration of monetary units.

But the fundamental of all fundamentals is, most certainly, land reform, with the creation of all the infrastructural subsystems accompanying it.

And may God grant the government success in damping down hyperinflation and carrying out the vitally important task of filling up the consumer market with goods and services. And so to the question of what we must do nowadays we can reply as follows: **Do not print money. Legislatively guarantee equal rights to economic freedoms. Analyse and deal with property ownership.** (I think that L. Kuchma's Cabinet—in its opposition to the parasitical nomenklatura has forgotten about one factor—the illegal acquisition by certain persons who are, moreover, not only those subject to Ukrainian citizenship, of rights to dispose of and derive partial income from facilities of state property)

There is yet another task—that of creating a convertible, national, monetary unit. But that is the subject of a different discussion.

First Major Foreign Investor in Construction Industry Discusses Problems Encountered

93U-N0523B Kiev GOLOS UKRAINY in Russian
3 Dec 92, p 6

[Interview with S. Zwiker, director of the "International Hotel-Office Center" Joint Venture, by V. Pisanskaya, place and date not given: "Risk Only for the Investor. A Chat With Austrian Director on Life in Ukraine"]

[Text] The development of events which developed on a block at the center of the capital, not far from Bessarabskyi Rynek (GOLOS UKRAINY had an article on that subject) is being watched with interest by Kiev residents and with apprehension by the specialists: is there going to be an international office-hotel complex here or not? The Austrian investor, the "Makulan" firm, found itself in an interesting position due to fate, chance, or circumstances that formed: investing 300 million dollars in the project, in addition to 12 million in the reconstruction of a house for foreign entrepreneurs and diplomats, it must explain that this is being done without a malicious intent.

But even that does not help for at a session of the Kiev Council the question was raised concerning revocation of the order issued by Ivan Salin, head of the city administration, concerning allocation of a plot of land for this project, while the National Bank of Ukraine cannot resolve the question concerning the granting of a permit to open a long-term irrevocable foreign currency account in Austria. Without this, in addition to everything else, the investor, first of all, cannot start construction and, secondly, he loses the guarantee that he could return funds invested in the project.

It is interesting that "Makulan" is the first and only foreign investor to invest a considerable amount of capital in Ukrainian construction.

How does he feel in the situation that has developed? Understanding that it is improper to open old wounds I nevertheless dared to request an interview with Sepp Zwiker, general director of the Ukrainian-Austrian Joint Venture "International Office Hotel Center."

[Pisanskaya] Mister Zwiker, how do you view such a turn of events?

[Zwiker] I cannot say that it feels normal, but I am not too surprised. Work in a foreign country always involves some difficulties. We are guests and must adapt. In Kiev, no matter what, I believe we were lucky because we found business partners and achieved a lot in that collaboration.

[Pisanskaya] A lot?

[Zwiker] Yes. Let me explain. Preparation of a design prior to the start of construction work as a rule requires at least a year. We completed it in several months and started work—thanks to Ukrainian partners who turned out to be high-class specialists. As far as the antagonism toward foreigners among the broad masses is concerned it does not bother me. There is a similar problem in Austria. It is true that in our case these feelings are manifested not toward firms, but individuals.

However I do not fully understand the hostility toward specifically this project since it offers a number of advantages. Inasmuch as I understand it, the problem, in part, grew out of the allocation of a land plot for long-term use. But after all it is not being taken over by a foreign investor, but by a Ukrainian firm—a joint venture, part of which is owned by the Austrian participant.

[Pisanskaya] How do you see the problems that are encountered in Ukraine?

[Zwiker] You know, recently I saw an unusually positive series of reports from Ukraine on Swiss television. Some problems, of course, were also mentioned. Particularly the fact that aircraft that arrive in Kiev are filled with businessmen who essentially have a single goal—to sell their products here. Only an insignificant number of them are willing to make investments, and then only in insignificant amounts. One of the merchants mentioned in that report concluded that the time has not arrived yet for large investors in Ukraine. It is just trying to establish an attractive climate for the western investors. I share that viewpoint.

I will say frankly, "Makulan" was fortunate encountering reliable partners in Kiev along with the support of the former executive committee of the Kiev Council and now that of the state administration, which has to virtually fight for the realization of this project. Thanks to them, since without such help nothing would probably work out. But it is not easy for us since it is necessary to be guided not just by the laws which is the way it was in all countries in which we have built, but mainly by trust, verbal assurances and the promises of partners and

officials. Such relations between people are wonderful, but it would be better to have sober, clear-cut, and concrete laws.

[Pisanskaya] By the way, on laws. Do you believe that Ukrainian laws fail to encourage western investors?

[Zwiker] I did not say that. Of course, each investor wants to have laws that are more favorable. The biggest problem, however, is the legislative void, the fact that laws were not adopted in packages. We can say that the law on protection of foreign investments is good, but no laws were adopted on foreign currency regulation and on foreign credits. Therefore, as a result of this I believe that a problem has developed with "Makulan." Despite the fact that neither the administrations, nor Kiev, or Ukraine are assuming the entire financial and economic risk, which is assumed only by our firm, the National Bank is refusing to grant permission to open a long-term irrevocable account. At the same time such permission is part of an internationally accepted condition - a guarantee that the investor can reclaim the invested capital.

[Pisanskaya] What advantages does this project offer to Ukraine?

[Zwiker] Every construction project—means jobs, which is very important with unemployment that will not bypass Ukraine either. The jobs will be financed by funds that will come from abroad. Workers will pay taxes and purchase goods. The larger the investments, the greater the inflow of funds to Ukraine.

I will give the following example: with the American "General Motors" firm offering to build a plant in Vinnytsia, the western capital would give it a plot of land free, which is assuming a third of the investment expenditures. But this is advantageous: 2,000 Austrian workers will improve their manufacturing production, products of which are exported which, in turn, helps to improve the Austrian balance as a whole.

Pisanskaya asked: "Will you bring Austrian workers to Kiev?"

Zwiker answered: "The organization of the house for employees I am not assuming too. First of all, the housing in Kiev is too established, excessively rigid. There are no new first apartments for rent by foreigners. It is necessary for the entire building to be reconstructed, to incorporate the latest technical equipment, and the apartments. The training of workers should be carried out, and it also has to be suitable for the needs of the Ukrainian and other foreign workers who will work on this project. At the same time, the workers should be taken to Kiev, so that the employees will not be forced to build by themselves."

Pisanskaya asked: "Do regulations have not developed in the area of cooperation with Ukraine?"

Zwiker said: "We are not experienced as with the national firms. For example, in Kiev, RAE. But we are not talking about something more than just

business relations. I think that in time all problems will be resolved and we will accomplish much that is new here. The business card of the firm, however, will be the international office-hotel center because, after we build it, other countries will also want one just like it. It must be the center of Kiev, one of the most attractive cities I have ever seen.

Cabinet of Ministers Appointments Published

93UN05414 Kiev URYADOVYI KUR'IER
in Ukrainian 2 Dec 92 p. 2

[Report: "The Ukrainian Cabinet of Ministers Has Appointed the Following Persons to Key Positions and Posts"]

[Text] Onufriychuk, Mykhayl Yakovych—State Committee for Keeping State Secrets from the Press and Other Mass Media

Shpek, Roman Vasylovych—first deputy minister of Ukrainian Ministry of Economics

Aliyev, Kemaliy Aliyevich—deputy minister of State Committee for Water Resources and Fisheries, created by the Ukrainian government to coordinate cooperation on Joint Use and Protection of Aquatic Resources Between the Government of Ukraine and the Government of the Russian Federation

Hrom, Ivan Ivanovych—chief Deputy Minister of the Ukrainian State Committee for Water Resources

Antonenko, Viktor Yehorovych—deputy minister of Basin Association of the Ukrainian State Committee for Water Resources. Both Hrom and Antonenko are former members of the Ukrainian government cabinet and are now in Moscow.

Pittsyk, Myroslav Vasylovych—president of the Ukrainian State Committee for Water Resources

Karakanytsya, Volodymyr Mykolayovich—deputy minister of the Ministry of Agriculture and Forestry

Larututa, Yevhen Volodymyrovich—deputy minister of the Ministry of Agriculture and Forestry, Cabinet of Ministers

Zymovets, Mykhaylo Semenovich—deputy minister of the Ministry of Transportation, Airline Transportation

☆☆☆

The program of actions which our government is preparing will begin with all the elements of economic change. And in virtually every sector work has scarcely begun. But we do have a certain order of priority in the sequence of solving this or that problem. The top priority is the anti-inflationary decision itself. We must bring hyperinflation to a halt. And inasmuch as it is not structural, but rather was brought about by the collapse of the monetary policy, as well as by a certain imposition of state controls on these processes, then such inflation—with the help and support of the parliament, political forces, and the population—can be overcome rather quickly. And this will be an important stabilizing factor. For can production really exist under the conditions of such a hyperinflation? How can we talk about a market when there are no real market prices? There are freed-up prices, but these are not really market prices. They did not push anything aside, but rather have continued to rise. By the way, at the beginning of this year there were certain signs that our country's economy was recovering its health—but all too few people noticed them. Barter emerged, and there was a crisis in market sales. Some prices began to decline, i.e., they have conformed with the demand structure. Under inflationary conditions nobody can enforce such conformity. But whereas we will not be able to overcome the economic decline, we can at least try to bring it to a standstill. We must provide production with a firm and stable currency. Using such a currency (a national monetary unit), a producer will be able to purchase everything he needs flexibly and without being afraid that prices will rise sharply. When we provide such a currency, will the producer need the government to find a supplier for him? No. He himself will seek out and find someone from whom to buy things. Moreover, a mass of intermediate, middleman structures will arise—there are already a great many of them—which will help the producers. And why? Because we are "holding the line" on some state prices. But the commercial structures are occupied by intelligent people. And we need to work with them on equal conditions.

[Hlichenko] But the state is not going to abandon regulation, is it?

[Pynzenyk] No way! We are taking the monetary-credit policy under monitoring controls. We cannot allow a situation to develop whereby excessive, inflation-causing money is put into circulation. This constitutes an important element of regulation by the state.

[Hlichenko] Restoring normal ties with the other CIS countries is one of the most important trends in stabilizing our economy. The sector in which Ukraine has left the ruble zone are those in which opportunities opening up.

[Pynzenyk] At the time when controls was a danger that we would lose out on any petroleum products, timber, with which to buy up on many things, gas, etc. While there was no ruble zone. Only types were, as it is not only for us, but also for Poland and other states. It

had to be done in order to renew and restore the ties between the economic entities of Ukraine and those of the states in the ruble zone.

The government does not need to concern itself with this. We have grown accustomed to thinking that the government should be responsible for everything. Nothing of the kind! The government ought to create the conditions under which our entrepreneurial and other business-type entities can establish such ties. If it is convenient for one of our enterprises to buy certain items in Russia, then let it go to Russia. If it is more convenient to do so in Ukraine, then let it buy things in Ukraine and sell them there too. In fact, upon taking the decision to leave the ruble zone, we discovered possibilities for normal, mutually profitable, business cooperation with all the CIS states.

[Hlichenko] When—in your opinion—can we expect positive results from the government's anti-inflationary endeavors? What is your prognosis on this matter?

[Pynzenyk] Your question is an extremely important one. Let me remind you of one dreadful statistic. When we total up the entire amount that we owe on our state domestic debt, we find that that the deficit in the state budget amounts to 55 percent of the GNP [gross national product]. In my opinion, such a figure is unknown in world history. We are heaping unimportant slips of paper upon our citizens. Because of this almost catastrophic situation, from which there seemed no possibility of escaping, the government had to seriously consider taking additional measures so that we could take temporary, urgent decisions enabling us to respond objectively. We pushed through a monetary reform in three days. The parliament was not working. What were we to do in such a situation? A presidential edict created a state commission, and every day (including Saturday and Sunday) it adopted four or five decisions. But this would this have turned out if this had happened under some other regime. It is important to look ahead and provide for such eventualities?

We even pondered adopting some anti-inflationary decisions, but the machine of inflation had gathered so much speed that it was impossible to stop it so fast. A certain amount of time is required. And the main thing was that we had already begun to implement some anti-inflationary decisions. There is a certain sequence in our actions. We are orienting the people regarding the first group of decisions, then to the second group, to the third group, and so on. And so the Cabinet of Ministers operates like an orchestra under a good conductor. And this is mutual cooperation as well as interaction.

[Hlichenko] One further stabilizing factor must be a direct and fair tax policy.

[Pynzenyk] We very quickly worked out a direct tax on taxation, and I have approved it. It means a reduction of taxing profits and looks forward to introducing several tax breaks. We have a program of reduction of investments in production. Where and how to use

ation, nobody makes investments. We are proposing to make all investments in production tax-exempt. Furthermore, we need help in extricating ourselves from the payments crisis. Both these factors flow directly from controlling wages and salaries. We encourage not the spending of income, but rather the making of investments.

We need to carefully demarcate and divide things between taxes for the local budgets and those for the national budget—and apportion the sources of financing appropriately, that is to say, locate the "center of gravity" in the localities.

Ilchenko: The structure of the Cabinet of Ministers involves the creation of an intellectual center. There has not been anything like that in the government previously.

Pynzenyk: We have an abundance of well-educated, trained scholars, as well as some good practical specialists. What we need to set up such an intellectual center for is we can always consult with them and so that they can contribute their expert advice on documents which are being prepared. We can also draw upon their conclusions, predictions, etc. In my opinion, such cooperation will be very advantageous and profitable. I'd like to say that in preparing documents, we should ensure the participation of those who have directly contributed to them. Certainly when making decisions people must understand their essence. And when the persons who are most intimately involved, then we are already halfway to the road to success.

Ilchenko: Permit me, Viktor Mykhaylovych, to be a bit more insistent in this next question. Don't you have a certain lack of experience in such state economic work, since you came from a purely scholarly background in economics?

Pynzenyk: At times there are confrontations between practical economists and the scholars. But I think that is already disappearing. Just look at what a close relationship we have in this government. There are practical economists and scholars. We have quickly found a common language. Tell me now, is the problem of the payments crisis a theoretical or a practical one?

Ilchenko: Sum of both.

Pynzenyk: Precisely so. And our endeavor to reach an agreement in this matter drew upon producers as well as consumers.

Ilchenko: To propose some kind of decision, you must have been in the wedge of economic practice. I was not. I was far from the production line. Telecommunications I want in Lviv—almost all the time. I never went to meetings without a secretary and I had to find out what they would be about, and I was not in the matter in my own. At such meetings I was not getting information as anybody sitting

with a manual or in some office. Things then seem quite different when you work them out in your own head, rather than simply watching from a corner. Incidentally, the decision as to the payments crisis, which I worked out for the Cabinet of Ministers and immediately implemented, I found during an hour spent with enterprises at the National Bank. This was quite a complicated but harmonious discussion, where we had good talk and good feelings. But such meetings help us to find correct solutions.

Ilchenko: By the way, what lines did you work on as a scholar?

Pynzenyk: My first dissertation was devoted to the topic of production quality, the second one, my doctoral dissertation—which I defended at Moscow University in Gavril Popov's department (he was my academic adviser)—was on price formation. During the rest of my time I studied virtually everything. I would never have dared to ask for my present post unless I had sufficiently precise views on how to untangle the problems in all spheres of the economy. If it seems to you that you have analyzed the problems in the budget, but you have too little understanding of matters involving social policy, then you have not thoroughly analyzed the budget.

Ilchenko: How unexpected for you was your appointment to the position of vice premier? Did you imagine anything like this two or three months ago?

Pynzenyk: No, I did not imagine it. Not at all. Although a year ago I was proposed for the post of minister of finance, but at that time I turned down the offer.

Ilchenko: And how did those who elected you as a people's deputy react to your transition to the structure of executive power?

Pynzenyk: When I found out about my appointment, it was the day before the parliament session was scheduled to begin. I immediately jotted down a note to myself to meet with the voters in order to explain this step to them. Well now, these people had trusted me, after all, they had elected me. I thought that we would have at least one free day, but I simply have not found a single hour. And so some of them are quite displeased with me because I have not met with them since the election. But as soon as I get the chance, I will go to Lviv immediately in order to meet with them.

Ilchenko: What kind of relations do you have with V. Yanovych, your predecessor in the position of minister of economics?

Pynzenyk: I am good friends with V. Yanovych. I think that relations between me and him will be normal and correct. He has many good ideas, and we must discuss them at length. He can give me quite a bit of advice. I think that Vasylchenko Yanovych soon will be able to advise us and help us to work out some of the important points which are

preparing. If he manifests the desire to do so, we would be glad to include him in the group of experts, advisers, and consultants....

[Ilchenko] And one last question, Viktor Mykhaylovych. From everything I have seen, you appear to be more of an optimist than a skeptic. Does that mean that you have no feeling that the present government does not have long to wait before the same lot befalls it as the former government?

[Pynzenyk] I have no such feeling. Do I look like I expect to be thrown out soon? The Cabinet of Ministers would be surprised to hear what you just said. You should not talk in such a depressing way. The people knew what they were heading for, and they are prepared to assume responsibility for themselves.

Moscow Dictate Cause of Economic Problems

941 NOS '11 Lyov ZA VILNU UKRAYINU'
in Ukrainian 1 Dec 92 p 3

[Article by M. Shvayka, Ukrainian people's deputy, deputy chairman of the Supreme Soviet Commission on Questions of Economic Reform and Administration of the National Economy, and candidate of economic sciences under the rubric "Thoughts on an Issue": "Hey, Dana, Dana, How Are We To Get Away From That Even?"]

[Text] Just what is the economy of Ukraine today? Exhausted resources, worn out funds, instability, unreliability, shakiness of economic ties, an enormous dependence on Russia, first and foremost via the delivery of energy resources, and theft of the people by operators in the shadow economy, speculators, and the state with the aid of inflation, taxes, and an uncontrolled system of prices. Capital investments have virtually ceased to function. Numerous faucets are open out of which riches flow from the Ukrainian treasury are flowing. And not only into Russia but throughout the entire world at dirt-cheap prices. They are squandered by government officials, thousands of heads of state and cooperative enterprises, and employees of commercial structures and joint ventures selling output at dumping prices while the money (hard currency) is credited toward accounts, personal accounts for the most part, in Swiss, American, and Canadian banks, robbing Ukraine yet again.

Russia must pay Ukraine almost 8 billion dollars annually for the use of its petroleum and gas pipelines, electric lines, railway and automotive transport, and air space. Russia's officials do not defend the sovereign rights of Ukraine in a proper fashion: we do not receive this money. Airline dispatchers who have gone on strike must be paid 5 million dollars for the loss of work space. But this money, due to the inactivity of the authorities, is going to Moscow. Why do our leaders ask about negotiations with Russia? They will not return home, and they will return with nothing.

Ukraine has signed with Russia an agreement concerning the receipt from the latter of 310 billion rubles of technical loans, in other words that money which was sent to Russia not from the sale of goods but first and foremost as a consequence of the outflow of our currency via the more favorable interest rate policy than and the siphoning off and appropriation of our emission money.

A rash interest rate policy is causing enormous damage within the country as well. Because the National Bank has lowered the interest rate by a factor of more than 10 (monthly inflation has already passed the 10 percent mark while the annual interest rate is below 1 percent), the state finances illegal profits of entrepreneurs, bankers, merchants, speculators, and operators in the shadow economy. This artificially created enormous indebtedness of Ukraine to Russia is occurring even as our foreign economic activity is successful, in other words with a positive trade balance, indebtedness as a part of farms and organizations of Russia for Ukraine of 1 July 1992 was 221 billion rubles while for our country only 97 billion. The NBU [National Bank of Ukraine] is acting as a type of creditor of Russian enterprises that purchase Ukrainian output. To wipe up the mutual indebtedness of enterprises with each other, the NBU unintentionally lends out money at reduced prices for their output, which brings about another turn in the spiral of inflation.

The aforementioned data hardly reflect actual foreign relations of Ukraine with Russia. The following factors of imbalance also has a negative effect on them. The high prices on Russian energy resources and heavy taxes on our output, first and foremost that of the defense complex, which is given away to our neighbors for free, as well as on production of machine-building and agriculture.

The lack of order in foreign relations is having a negative influence on the stability of the internal market. Our country is dependent on outside forces and circumstances that contradict the principles of our independence. The government of Ekin has squandered our currency as if it was right as though it had no idea of our payment balance, and the inflow of money from Russia is turning out to become for us a genuine disaster. The threat of a blockade is capable of paralyzing any effort to impose order in the sphere of circulation. This is the price of our existence in the united ruble zone. For this reason the Supreme Soviet has adopted a decision concerning an immediate move to our own currency, and the Parliament has passed its Principles of Economic Policy, which stipulate introduction of the hryvnia. But the authorities have done nothing to implement it.

A serious crisis in relations with Russia is in conjunction with Russia's blockade of trade relations between enterprises of the two states. In this case, Ukraine is no longer even satisfied with the situation, and everything may "remain as it was" until the time that it dictates priority conditions that are profitable for itself and unsaid for others. And here the government

ourselves from the outside world. But then the country would be turned into a Stalinist reserve and down itself to falling eternally behind.

How did Germany rise from its ruins? On the basis of the revitalization of its economy it stipulated the following postulates: Monetary reform and stabilization of the mark, the bringing of order to prices, and the noninterference of politics in the economy. Ukraine is crudely violating these laws—money is replaced with coupons, prices have grown by factors of dozens and hundreds, and politics, oriented toward Moscow, have led the economy into a blind alley. For at least two years of creating the state we have done the wrong thing and gone the wrong way. Now we scratch our heads because it is more difficult to pull oneself out of a blind alley than to move from a standstill. But move we must, and with haste if we are to make up for lost time.

Economists Discuss Privatization of Property in Agriculture

934 104594 Kiev *SILSKI VISTI* in Ukrainian 31 Oct 92 p 1

[Article by V. Nelep, doctor of economic sciences, and E. Kondratenko and M. Khorunzhyi, candidates of economic sciences: "What Should Farms Privatize?"]

[Text] There is much talk today about the privatization of state-owned enterprises. The necessary laws have been passed. But what about rural Ukraine? The Ministry of Agriculture and Food has proposed the "Program for Privatizing Property in the Agroindustrial Complex of Ukraine." This document prompts many reflections.

In the restructuring of production relations, any more or less radical break in these relations inevitably results in a decline in production and requires the changing of product specialization. While the effects of this are less painful in economic sectors that function autonomously, in the agroindustrial complex, with its organizational-technical and economic interdependence between branches, this reformation of relations, unless it is properly handled and regulated, may lead to unwanted results. What we need to remember first and foremost is that the agroindustrial complex functions exclusively to meet the immediate needs of the people, and this circumstance must be taken into account when making any quantitative or qualitative changes. We can do for a time without cars, soft furniture, video equipment, and the like, but if the reform of production relations brings with it a fall in the level of food production (which is already quite low), there will be an immediate adverse effect on the whole of society.

If you add to this that the key components of the agroindustrial complex are agriculture and the processing industry, in particular the food processing industry (branches that stand out among all the sectors of material production for their low profitability, high proportion of worn-out capital stock, obsolete technologies, excessive debt, and hence, virtually zero buy-out

capability), it becomes obvious that privatization in this sphere needs to be viewed primarily as a practical means of increasing production effectiveness and not as a source of additional funds for the state to cover its already exorbitant expenditures. The fact that this sector has low wages in comparison with other branches of the economy, an unfavorable worker age composition, a high proportion of manual labor, and an utterly neglected infrastructure makes it necessary for the state to provide the agroindustrial complex with certain benefits and incentives to privatize and to channel any funds received from privatization directly back into the agroindustrial complex.

To a greater or lesser extent, the enterprises of the processing (food) industry are already integrated with agriculture—be it in that they coordinate and synchronize their operations with agriculture, or in that they combine their organizational and technical efforts with those of the farmers as part of a specific vertical product integration or agroindustrial formation. In this kind of specialized vertical combination within a branch with a clearly defined end product, the final result does not depend on chance and temporary ties, but on unity and harmony of action and on the stability and strength of business and organizational-economic ties between the principal, secondary, subsidiary, and service enterprises.

As things stand now, no food industry enterprise is capable of serving as a mobilizing element in the formation of market structures, relations, and forms of organizing agroindustrial production. In the transition to market relations, such enterprises will be totally and completely dependent on the producers of raw materials. If no economic advantage derives from their ties with the food processors, producers will try to organize their own processing enterprises. However, privatization should be carried out while preserving rather than breaking up the established structure of the processing industry and its product assortment. For this reason, it is the producers of raw materials that should be given priority in the privatization of food industry enterprises. Thus food industry enterprises will be the object of dual privatization—namely, by their labor collectives and by the producers of raw materials, who will be just as interested in the efficient operation of the processing enterprise and will participate directly in ensuring guaranteed financing of its costs.

As to the share of ownership, the controlling block of stocks (51 percent) in such joint-stock enterprises should unquestionably go to agricultural enterprises. The remainder of the stocks could be acquired by right of priority by the collectives of processing enterprises. A certain percentage of ownership in processing industry enterprises should also be allotted to individual citizens through privatization vouchers.

Unfortunately, the program proposed by the Ministry of Agriculture and Food provides for the sale of shares in processing enterprises to the suppliers of raw materials only in the event that the processing enterprises' "own"

available and it is difficult to deny them. If this provision in the legislation is left unchanged, the property of all food enterprises will inevitably be privatized exclusively by agricultural collectives and the collectives of agricultural enterprises will consequently be created. We know that the agricultural production chain goes to those who produce the raw products. If the privatization model that is chosen is one in which processing enterprises are privatized by agroindustrial agricultural enterprises and not by agricultural producers, the latter will only obtain a small amount of the raw material and the processors, but again as before.

Therefore, the government must develop a strategy for the privatization of enterprises at the national level and take into account production differences. Thus, the state should be prepared to receive, belonging to the agroindustrial complex, should have stipulated that all agroindustrial enterprises must be used for agroindustrial production. Agroindustrial enterprises must be used for agroindustrial production, agroindustrial enterprises must be used for agroindustrial production.

It is also necessary to ensure that it causes no harm to the agroindustrial complex and that the state should be prepared to receive, belonging to the agroindustrial complex, should have stipulated that all agroindustrial enterprises must be used for agroindustrial production.

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The privatization of the property of food enterprises whose basic activity is food production should be provided by the formation of a corporate entity, that is, the reorganization of their enterprises into joint stock companies. These should have the benefit of their enterprises, enterprises that are subject to the same laws as well as the owners of the enterprises, enterprises.

The improvement of food enterprises that are subject to the same laws as well as the owners of the enterprises, enterprises.

Agroindustrial enterprises that are subject to the same laws as well as the owners of the enterprises, enterprises.

It should be noted that the state should be prepared to receive, belonging to the agroindustrial complex, should have stipulated that all agroindustrial enterprises must be used for agroindustrial production.

The state should be prepared to receive, belonging to the agroindustrial complex, should have stipulated that all agroindustrial enterprises must be used for agroindustrial production.

In the event that the agroindustrial complex is not provided by the state, agroindustrial enterprises should be used for agroindustrial production.

We have noted that the state should be prepared to receive, belonging to the agroindustrial complex, should have stipulated that all agroindustrial enterprises must be used for agroindustrial production.

It is in this sphere that a state privatization program for the agroindustrial complex needs to be worked out both for the state as a whole and for each individual region and enterprise.

In general terms, such a program must recommend a choice of forms and methods of privatizing enterprises in the different branches of the agroindustrial complex that would take into consideration the special features of each region, consistency of implementation, and the peculiarities of the functioning of designated projects. In terms of the time allotted and methods of implementation, it must encompass technologically and organizationally linked branches of agroindustrial production, help form a new interbranch and economic mechanism, coordinate the privatization of the food industry with the progress of destatization and privatization of agriculture. It must guarantee the enterprises of the agroindustrial complex certain benefits and incentives to encourage their labor collectives to accelerate and broaden this process. It must contain general data and information on the end result of privatization and its effect on the ability of a given region to produce its own supplies of food products, on the possibilities for exporting products outside the region, on the financial status of privatized enterprises and branches, and on the level of material security of those employed in the region. It must give expert assessments and estimates of

the scope and assortment of production, clear and comprehensible recommendations on matters involved in calculating the ownership share and distribution of dividends as well as the formation of capital accumulation and consumption funds. It must have a legal basis, that is, be approved according to established procedure and be implemented under state supervision.

This program should not push for haste on the part of those privatizing enterprises, but should recommend that this process be wholly independent and voluntary and an integral part of Ukraine's agrarian policy.

Industrial Indicators for First Nine Months of 1992 Reported

93UN01378 Kiev (UKRAYDOVYI KURYER)
in Ukrainian 9 Oct 92 p.2

[Table Issued by Economics Division, Ukrainian Cabinet of Ministers, Dated 7 October 1992. "Particular Production Indicators for Ukrainian Industry for the First Nine Months of 1992"]

[Text]

Indicator	For 9 months of 1992	Reference data for	
		Jan-Aug 92	9 mos 1991
Rate of decline (%) in industrial production *	9.8	10.0	1.0
Average daily production in million rubles	1,418	1,400	1,482
Rate of decline (%) in average daily production *	11.8	10.9	1.0
Production agreements (contracts) concluded (thous. rub.)	629	470	-
Its proportion within the total production	1.2	1.8	-
Number of enterprises which is liquidated (thous. rub.)	455	449	-
Its proportion within the total number *	7.0	6.9	-

* including a decline of 8.4 for September of this year versus September of last year (for reference, data for last year is 1.33).

Weather Conditions, Fuel Shortages Affect '92-'93 Crops

Late September Moisture Shortage

93U04441 Kiev (UKRAYDOVYI KURYER)
in Ukrainian 6 Oct 92 p.1

[Report by M. Tsypenko, chief, Agrometeorological Section, Hydrometeorology Center. "It Will Be Difficult for the Winter Crops: A Meteorologist's Notes"]

[Excerpt] [Passage omitted]

Cool weather delayed the sprouting of grain and the initial growth and development of the winter sowings, while light morning frosts (by the way, this year they were markedly later than usual) in certain areas caused

damage to the unripe heat-loving vegetables. As a result of the lack of substantial precipitation, the southern regions of Ukraine suffered damage of 60-90 percent of its plots, while the central regions suffered to the extent of 20-40 percent. The upper layer of the soil on these fields earmarked for the sowing of winter crops was deprived of sufficient moisture (at a depth of 20 centimeters the soil had no more than 1.8 millimeter of productive moisture).

For Ukraine as a whole the plots with insufficient or unsatisfactory moisture in the upper layers of the soil at the end of September amounted to 42 percent of the total area sown in winter crops. During the analogous drought of 1975 there were 69 percent of such plots. The winter crops sown at the end of August and the beginning of September in sufficiently moist soil in the western

northern regions, and almost every place where conditions were good have formed their third leafy stage, and—in certain localities—the bushy stage has begun. In the rest of the sowings sprouts and grain growth have been noted [passage omitted]

Winter Conditions Forecast

93440444B Kiev SILSKI VISTII in Ukrainian 10 Oct 92
p. 2

[Report by M. Skrypnyk, chief, State Committee on Hydrometeorology "Weather and Sowings"]

[Text] The prolonged dry weather—similar to that in the years 1972 and 1975—delayed not only the sowing, but also the appearance of sprouts in the winter crops, and the overall growth was adversely affected in 100 percent of the sown areas. At the beginning of October, as a consequence of the significant lack of precipitation (no more than 25-30 percent of the norm) from July to October—especially in Odessa, Mykolayiv, Kirovhrad, Kherson, Dnipropetrovsk oblasts, plus several rayons in Vinnitsa and Poltava oblasts—the upper 20-centimeter layer of soil in dry lands sown alternately in winter crops was either completely dry or had no more than 3-9 millimeters of moisture. And—on the whole—the following areas had soil which was short of moisture by the following percentages: in the southern oblasts—60-90 percent of the sown areas, and in the central oblasts—20-40 percent of them.

And so how many grain growers who had sown winter crops were adversely affected? Or had their plants managed to sprout far enough ahead of the frosts so that they could withstand the winter?

In most regions of Ukraine winter vegetation stops growing, as a rule, at the beginning of November, though in the southern regions and in Transcarpathia this occurs in mid-November, and in the Crimea—at the beginning of December. Nor do we foresee any early stoppage of the winter vegetation during the present year either. But inasmuch as in many rayons the sowings were carried out just within the extreme limits of the normal time period or even later, there is every reason to consider that on approximately 60 percent of the sown areas the vegetation will be weakly developed, in the phases of the third leaf and the beginning of the bushy phase. On some plots they will be in the sprouting phase or in the phase of the "hidden truth."

According to the forecasts, the winter of 1992-1993 will not be markedly different than the usual ones. Its beginning will not be marked by any significant cold spells. The average monthly temperature throughout November and December is anticipated to be between 3-6 degrees above freezing for November and between 0-8 degrees below freezing for December. These temperatures are, in fact, somewhat above normal.

The January temperatures are forecast to be close to the usual ones. Their normal average ranges from 2 to 6 degrees and down to 8 degrees below freezing.

In February it is likely that most areas will become colder, as compared to January. The average monthly temperature will go down to 5-8 degrees below freezing, and in the southern and western regions—to 2-5 degrees below freezing, which is 1-1.5 degrees below normal.

Early October Moisture, Crop Conditions

93440444C Kiev SILSKI VISTII in Ukrainian 15 Oct 92
p. 3

[Report by M. Tsupenko, chief, Agrometeorological Section, Ukrainian Hydrometeorological Center. [No title provided]

[Excerpt] The average relative moisture during this 10-day period turned out to be quite high—within the range of 70-89 percent. The winds were predominantly weak or moderate. But in almost all oblasts during the course of one or two days the wind speed at certain hours intensified to storm proportions, i.e., 15-20 meters per second.

As a consequence of such agrometeorological conditions, the winter vegetation proceeded at a moderate pace, in the eastern and southern parts of Ukraine sprouts were fully developed. On most of the sown areas by the end of this 10-day period the winter crops had entered into the phases of growing grain, the "hidden truth," sprouting or the third leaf. Only on plots sown in well-moistened soil at the end of August and the first 10 days of September were the winter crops in the bushy stage. After the recent showers in a number of regions the moisture-content of the upper layers of soil markedly improved. But on 50-80 percent of the sowing areas planned for winter crops in Zaporiz, Kherson, Mykolayiv, and Odessa oblasts, on 30-40 percent of those in Donetsk and Dnipropetrovsk oblasts, and on several sowing areas in other oblasts, by the end of the 10-day period less than 10 millimeters of moisture had penetrated to the 20-centimeter level, and the situation was still unsatisfactory. For Ukraine as a whole, 28 percent of the total area sown in winter crops still had unsatisfactorily moistened soil. During the analogous drought year of 1975 some 69 percent of the area sown in winter crops was still unsatisfactorily moistened by the equivalent stage.

Mid-October Crop Development

93440444D Kiev SILSKI VISTII in Ukrainian 24 Oct 92
p. 3

[Report by M. Tsupenko, chief, Agrometeorological Section, Ukrainian Hydrometeorological Center. "Moisture Has Increased"]

[Excerpt] [Passage omitted] The winter crops sown during the optimal periods in sufficiently moistened soil

had—by 20 October—reached the bushy stage in most of the western, southern, and eastern oblasts. On the rest of the sown areas the plants had reached the phases of the third leaf or sprouts. [passage omitted]

Fuel Shortage Hampers Harvest, Tillage

934 10444F Kiev SILSKI VISTI in Ukrainian 9 Nov 92 p 1

[Report by V. Tymoshenko, deputy chief, Agricultural Administration, Ministry of Agricultural Production "Autumn Fields"]

[Text] The summer drought has been followed by a new potential disaster. On large sown areas the crops are threatened with the danger of being left trapped under the snow. The situation on the corn fields is particularly tense. Here the crop has been harvested at only 70 percent of the sown areas due to the inability of the much of the farm machinery to do the necessary work in Kyiv, Kirovohrad, Khmelnytskyi, Poltava, Rivno, Bukovyna, and Cherkashchyna oblasts. And in the Kharkiv, Lugansk, Donetsk areas, as well as in the Crimea they have harvested less than one-third of the fields.

The total corn harvest is expected to be about 2 million tonnes, which is considerably less than in previous years.

Operations on the beet plantations are proceeding at too slow a pace. The crop has not been gathered in on more than 100,000 hectares, almost 4 million tonnes of these beets—which provide the raw material for sugar—are lying in heaps on the fields.

Sunflower seeds have not been threshed at 142,000 hectares, this amounts to 9 percent of the sown areas. This agricultural crop is not being satisfactorily harvested in Luhansk, Zaporiz, Kharkiv, and Mykolayiv oblasts. Some 820,000 tonnes of sunflower seeds are lying around and clogging up the product flows of collective farms and state farms in Dnipropetrovsk, Zaporiz, Donetsk, Odessa, Kharkiv, and other oblasts.

The fundamental cause of this complicated situation is a shortage of fuel.

The delays and lags in harvesting such late crops and the shortage of fuel have also made themselves negatively known in plowing operations. More than 5 million hectares remained unplowed. A particularly large amount of unprepared fields have been left in the Transcarpathian, Kyiv, and Lviv oblasts. In the Crimea this important work has been done on only one-third of the large plantations.

Fuel Shortage Leaves Areas Untilled

934 10444F Kiev SILSKI VISTI in Ukrainian 6 Nov 92 p 1

[Report by V. Onenko, special correspondent, "Will We Catch Up on Our Plowing by Spring? Because of a

Shortage of Fuel and Lubricants, We Have Failed to Plow Up Almost 5 Million Hectares of Arable Land"]

[Text] At the tractor station of the Collective Farm named Illich located in the Perevaslav-Khmelnytskyi Region of Kyiv Oblast the accumulation of equipment is so abundant for the autumn season. There were 13 combine harvesters and heavy-duty tractors lined up in a row. Could you find this farm's machine-operators had already commenced their field operations?

"No," said P. Khomenko, the collective farm's chief agronomist. "They have not yet harvested the grain crops, nor have they plowed up more than 200 hectares of needed arable lands. It has become wearisome and boring to be needed and yet have nothing to do. This is caused by a shortage of fuel. If a salt-dealer could find what she needed, then we should have obtained our diesel engines long before now. On the first day we plowed only 40 hectares each, although we could have done three times as much. But there can be no more talk about using the tractors these days."

Because of the shortage of diesel oil, tractors are standing idle at the following collective farms: Druzhba narodiv, imeni Gorkiy, imeni Lenin, MLO, imeni Shevchenko, and other farms. The rayon has the possibility for using 200 tractors a day for plowing, but only one-third of them are operating. Nor have the tractors been activated—the tractors of the rayon agricultural unit, the Kysivvodbud PMK-166 Trust, and other rayon level organizations.

In order to cope with this matter, sometimes the mechanics and machine operators filled their tanks with machine oil instead of diesel oil. But they lost out from doing this than they gain. The engines break down after a very short period of time. Last week alone—because of this practice—more than 40 tractors were out of order at collective farms and state farms. At today's prices it costs a substantial sum to repair them. To repair just one engine, you have to pay a special amount—30,000 karbovantsy.

"Even mechanics and machine-operators in the Kyiv region have a great deal of trouble," complains A. Dubinchak, chief Administration for Providing Petroleum Products and Fuel for the Ukragrotekhnicheskii Concern. "A catastrophic situation has evolved at the petroleum centers of the Transcarpathian, Lviv, Ternopil, Dnipropetrovsk, Luhansk, Kharkiv, Kherson oblasts. The needs of the rural areas for diesel oil and lubricants are being filled by only 60 percent. Moreover, the short quotas are not being fulfilled. During the last three quarters they fell short by more than 25,000 tonnes of oils. Russia—the principal supplier—is raising the price. For a brief period the Kremenchug Oil Refinery agreed to have the answer. Unfortunately, this enterprise deals with distant foreign countries than with Ukrainian rural areas. Without terminal facilities, the governmental crisis with regard to oils and lubricants cannot be overcome."

The situation in Ukraine's autumn fields is fraught with danger. Almost 5 million hectares arable lands remain unplowed. Are we going to lay aside all this work until spring?

Fuel Shortage Causes Lag in Sugar Beet Harvest

934 104440 Kiev. *SILSKI VISTI in Ukrainian* 30 Oct 92

[Report by V. Onenko, special correspondent. "Will the Sugar Beets Rot Under the Snow? Because of a Fuel Shortage on Ukraine's Plantations, Almost 4 Million Tonnes of Raw Material for Sugar Lie Ungathered"]

[Excerpt] [Passage omitted]

Could it be that fuel was distributed only to the Kiev region?

"No," said B.I. Muchnyk, chief, Division of Industrial Crops, Ministry of Agricultural Production. "Nowadays, when there is still an abundant amount of urgent work to be done in the fields, the government has simply made it impossible for the rural laborers all over this republic to do their work. As a consequence, sugar beets will not be gathered on more than 100,000 hectares of sown land, and almost 4 million tonnes of raw materials for sugar will lie there in the fields!"

On more than one occasion our newspaper has reported on the alarming situation concerning the lack of providing the rural areas with fuel and lubricants. It is not only the suppliers from Russia who are responsible for this. We also have a homegrown monopolists who is being capricious—the Ukranaftokhim Company. Profiting from its being in favor with the government (already the former government), this office shipped almost a third of the oil obtained from abroad to commercial structures. This company and the oil refineries subordinate to it have grown rich—but they deny or remain silent about doing business with fuel. In particular, the Kremenchug Oil Refinery denies even being involved with the stock deliveries. It "passes the buck" to a small enterprise which was set up within the oil refinery, it provides services for an additional fee, i.e., it engages in direct extortion. And the Lysychansk Oil Refinery, taking advantage of its protection by V.S. Horvunov, the head of Ukranaftokhim himself (this is not by chance, for he set up a company known as "Volksoil" based on the enterprise) shipped almost 20,000 tonnes of fuel abroad from Ukraine without any licenses to do so.

Because of the drought this year, Ukraine will suffer at a minimum an average loss of 50 quintals of sugar beets per hectare. There is already an "experiment" of letting them lie there under the snow. Is it possible that this could have been thought of this past autumn, and—if so—who is responsible for this wicked misdeed?

INTERNATIONAL AFFAIRS

Airline Begins Kiev-London Service

934 105211 Kiev. *UKRAINIAN INTERNATIONAL AIRLINE*
in Ukrainian 27 Nov 92 p. 2

[Article by Mykhaylo Soroka. "A Ukrainian Corridor: First Trip to London by a Boeing Airplane of the Ukrainian International Airline"]

[Text] Taking eight hours to fly from Kiev to London and back to Kiev would hardly surprise anyone these days. But the trip taken the day before yesterday over the above-mentioned route will occupy a special place in the history of Ukrainian aviation. And, probably, not just aviation. This was the first independent departure and flight into international air space of a Boeing 737-400 leased from the Irish GPA firm by a new aviation company—the Ukrainian International Airline.

This air space is crowded nowadays. Regardless of all this, it seemed boundless. We, the first passengers on the London trip, were able—so to speak—to see this with our own eyes. During the three and a half hours that it took to reach the capital of Great Britain we observed on more than one occasion in the Boeing's lights airliners flying toward us, but a kilometer below us. It is important to add to this that our flight maintained an altitude of 15,000, inasmuch as the dispatchers at the Nimechchini airports had decided upon this altitude after searching for a free corridor for our flight over Western Europe.

To put the matter briefly, our Ukrainian aviators can expect sharp competition on the international air routes. Will they be able to withstand such competition? I have become convinced that they will. The Kiev-London-Kiev flight provided assurance and optimism on that score. The aircraft commander, Anatoliy Ruban, and his crew performed carefully and masterfully on this trip, and they were applauded by the passengers upon its completion. And halfway to London Anatoliy Ruban was even able to find the time for a brief chat with the journalists. He had gotten into aviation via the Luhansk Air Club. After graduating from aviation school, he received an assignment to Krasnodar Kray, where he flew the renowned An-2 airplanes. Afterwards, having mastered the IL-14 airplanes, he flew them for seven years on trips beyond the Arctic Circle, while exploring and studying the Northern Sea Route, as well as expeditions in the Arctic. Following this, the path of his life led back to Ukraine once more. Having acquired his "aviation permit" to the capital's airport at Boryspil, he flew the TU-104, TU-134, TU-154, and now the Boeing 737-400. Prior to transferring to this assignment, Anatoliy Ruban and all those working on this aircraft underwent service training in Seattle—where Boeing's headquarters is located. A joint Ukrainian-American enterprise was created, which provides the passengers with food service. We were able to verify for ourselves

that the quality of the food and all the services on board this Boeing are at the highest level and fully meet international standards.

In addition to the journalists, the first observers of the Kiev-London aviation route included the directors of the Ukrainian International Airline, representatives of the Irish firm GPA, diplomats, and businessmen. Those passengers with whom I had occasion to speak awarded high marks to the conditions of this flight and to the level of service aboard the Boeing.

London greeted us with rain. But the bad weather did not prevent dozens of persons from assembling at the Gatwick Airport. They welcomed the crew and passengers with the traditional bread and salt, a Ukrainian dance, as well as a carefully and generously laid-out table. This cordial meeting had been prepared by our countrymen—Britain's Ukrainians. They included not only Londoners, but also residents of other cities and

regions of Great Britain. They told us that our flight here was a great event for them—something really sacred.

Furthermore, the historical significance of this event was also remarked upon in the speeches made at an impromptu meeting at the British airport by Sergiy Komisarenko, Ukraine's Ambassador Extraordinary and Plenipotentiary to Great Britain; Volodymyr Chorniy, chief of the Ukrainian Ministry of Foreign Affairs Department of News and Information; Valeriy Nazarenko, president of the Ukrainian International Airline Company. In their speeches they all emphasized that the whole world was becoming a small village, each with its own road. One of the latter has now connected us with the capital of Great Britain. Let it be a source of happiness for all those who avail themselves of it. In any case, the Ukrainian aviators are doing everything they can to accomplish this. We have become convinced of that.

BELARUS

Shushkevich Said To Be Isolated in Parliament

93U N0495A Moscow NIZHESIYAYA GAZETA
in Russian, 16 Dec 92, p 3

[Article by Igor Sinyakevich: "Shushkevich Is Shown Who's Master in the House. Speaker of Parliament Remains Isolated"]

[Text] In contrast to Russia's stormy Congress of Peoples' Deputies, Belarus's parliament last week constituted a kingdom asleep. The deputies passed laws and decrees of little interest in a conveyor-belt fashion. But then, as it is, after-dinner hours in the work of the Supreme Soviet deputies when they—having departed from the agenda—actively discussed the following question: Should Chairman Shushkevich be "finished off" or not? While speaking, the subject of this discussion was accompanied with a somewhat different content. Aleksandr Kulichkov, a member of the "Belarus" faction, had proposed that a vote be taken on the following question: Stanislav Shushkevich, chairman of the Supreme Soviet, should be assigned the task of solving the problems, together with the Russian leaders—of continuing the existing procedure of handling clearing accounts between Russia and Belarus. He should also work out a concerted financial credit policy, ensuring the functioning of this republic's economy."

This resolution was obviously tantamount to assigning Shushkevich the task of building a "shining future." And, naturally, the speaker tried to make a joke of it: "Well, now let us assign Shushkevich the task of stabilizing the economy." However, he did not succeed in averting the discussion of this amendment. For a period of two weeks the speaker acted and spoke like a person who—in response to charges leveled against him—attempts with rhetorical devices to prove that the specific data have nothing to do with him. All of Stanislav Shushkevich's arguments had the effect that work on this matter is "not being done," that a great deal depends upon the actions taken by Russia itself, that even in Russia payment of tax on enterprises are carried out with delays of two or three months, that the amendment contained no specific proposals, etc.—none of these arguments and reasons generated understanding among the mass of deputies because such arguments and reasons were already evident to them. Therefore, they heard arguments of the type that we need "at least once to assign to someone personal responsibility for a purely political matter" (A. G. Konchik), or arguments about the importance of clearing accounts with Russia.

The course of these debates have clearly shown the deep contradictions within the parliament. The resolution did not pass. It was voted for by 117 deputies, but it needed 174 votes (50 percent plus one vote). In fact, the amendment was voted for only by the "Belarus" faction, which had introduced it, and which follows the line set by the speaker, Kebich in the Supreme Soviet. The deputies'

"swamp" refrained from voting on this issue. It was obvious, however, that in the discussions on the less absurd resolutions, it would have been easier for the "Belarus" faction, which has about 120 votes, to incline the "swamp" over to its side, than for the "Opposition BNF [Belarus People's Front]," which has only about 30 seats. This is all the more true in that among the "waverers" were the Orthodox-Communists from the "Union" faction (not being devoted to the intrigues of the Council of Ministers, they were willy-nilly on the Shushkevich's side in this story).

The methodical trampling on Shushkevich had the goal of showing him who is master in the house. The speaker, who had placed his bet on upping his own rating among rank-and-file voter, probably hoping for a general presidential election, turned out to be the loser. He was circumvented by Kebich's "team," which was able to take the principal levers of real power into their own hands: the press, the army, a relative majority in the parliament. Kebich is essentially the only politician in this republic who is backed up by a smoothly operating "team," one which was selected in accordance with the principles of personal loyalty and one which was recruited directly from the former nomenclatura. Moreover, the premier has at his disposal the intellectual potentials of the state institutes (the Scientific Research Institute of Economics under the State Committee for Economic Planning, and so forth), as well as budgetary funds.

Professor Shushkevich, who got into politics alone, has remained a politician without a "team." He rebuffed several potential allies from among the notable young parliamentary deputies (most likely, for some kind of personal motives). And now they have become his fiercest critics. Moreover, as the latest hearing have shown, those persons "rejected" by Shushkevich are now forming a bloc with Kebich's "team." Nor has Shushkevich's attempt to recruit advisers from among the scientific and creative intelligentsia been crowned with success. On the one hand, the speaker is too fussy, on the other hand, many persons do not want to link themselves with a politician whose future prospects are more and more doubtful. Parliament's attempt to assign to Shushkevich the task of solving the presently unsolvable problem of the bank accounts has shown the whole illusory nature of the speaker's frequent declarations that the entire Supreme Soviet is his "team." Nothing now remains for Shushkevich to do but—at best—to proclaim his own solidarity with the government, although it was quite recently—on the eve of the rejected referendum—that people heard him express his differences with Kebich.

Central Bank Clearing Policy Criticized

93U N0495A Minsk NARODNAYA HAZETA in Russian
2 Dec 92, p 1

[Article by Vladimir Samoylov, economic observer under the rubric "Allow Me To Disagree." "We Have

Already Been Through This (It Is in Russia's Interests To Create Barriers So That the Ruble Does Not Return on Time)"]

[Text] On Saturday 28 November our newspaper published an interview with Stanislav Bogdankevich, chairman of the National Bank of the Republic of Belarus, under the headline, "If People in St. Petersburg Like To Eat Free Steaks, Why Should the Belorussian National Bank Pay for Them?" This material aroused interest not just in banking circles, but also among economists and entrepreneurs. And in light of the outburst of emotions which discussion of the questions of making additions and amendments to the laws on banking aroused in the republic parliament, we must recognize that the subject raised in the interview was quite timely. But as the discussion at the parliamentary session and letters to the editor have shown, by no means does everyone agree with the position of the chairman of the board of directors of the National Bank of Belarus. On a polemical basis we are publishing today the point of view of Gennadiy Aleynikov, chairman of Belvneshekonombank [Belarusian Foreign Economic Bank]; behind his frank assessments there is concern at the difficult situation which has come about in banking and doubts about the future prospects of the development path chosen by the National Bank.

An attempt to find some justification and then dump all the problems of a sick person onto a healthy one—that is the only thing you can call the position of S. A. Bogdankevich, chairman of the board of directors of the National Bank.

The clearing mechanism which has been established here is a vivid example of a rigid centralized system, where everything is tied to the clearing center of the National Bank. We must say, it is an outdated, antediluvian system.

In the interests of their clients Belarusian banks would be entirely able to carry on accounts directly with Russia. Direct correspondent accounts are what was long ago proposed to the director of the National Bank, but he would not listen to anyone. He showed more ambition than professional approach. Haste and lack of careful thought—that is what characterized the policy of the National Bank in this situation. They heard about clearing and followed after Russia, not knowing that this system had already outlived itself.

To return to history, bilateral clearing was used in accounts among the socialist countries before 1949, then a switch was made to trilateral clearing, and in 1957 the multilateral form was employed.

In 1964 the system of clearing accounts in transfer rubles began to operate. The clearing currency was a purely fictitious one, simply entries in accounts. But the transfer ruble had the same gold content as the Soviet ruble.

Under conditions of a planned, centralized economy the system of bilateral and multilateral clearing accounts

showed more negative than positive aspects. For example, it is not possible with it to achieve equivalent exchange, and a balance which arises can be used in accounts with third parties only against additional deliveries. On the other hand, in conditions where there is not enough output, commodity exchange on a multilateral basis is impossible.

In addition, the currencies of other countries were like satellites around the ruble, and realistic exchange ratios were not established. Conscientious exporters found themselves in the worst position. With the collapse of the Union all of the CEMA countries which had delivered output to us did not receive payment for it.

Everything that the former Union owed, it "forgave." A transition to payments in SKV's [freely convertible currency] was announced, but there were no SKV's. The indignation of the former socialist countries at the policies of the former leaders of the USSR is understandable. The situation is about the same today in accounts with Russia.

Accounts are cleared on the basis of the ruble. A delay of 2-3 months occurred because of their centralization. It is understandable that even technically this is hard to do with the kind of system that exists at the National Bank.

In addition, even a blind man can see that it is in Russia's interests to create barriers so that the ruble does not return on time. And the Central Bank of Russia used these tens of billions of rubles that were not returned to us as a supplementary source of monetary capital for its own enterprises and organizations. In other words, we paid for our neighbors' economic reform. During this time the ruble became devalued, and even if Russian enterprises today do settle accounts with our enterprises, the amounts are already far less than what would come to the Republic of Belarus under normal conditions.

What is the way out of this situation? In my view it would be more reasonable to give all banks the right to establish direct correspondent relations with the banks of Russia, Ukraine, Kazakhstan, and so on. As is done, incidentally, in other civilized countries. In the interests of their clients the banks will find various ways to accelerate payments. Unfortunately, S. A. Bogdankevich realized this too late. The republic's economy has suffered irreparable harm.

In addition, everybody already understands that no one is bolstering the ruble as a means of payment. Therefore it would be correct to introduce our own means of payment, and this will inevitably occur. But first it is essential to establish a realistic exchange rate relative to the ruble and other currencies for that means of payment which is operative in the republic.

The director of the National Bank is carried away by the idea of some kind of supranational bank through which accounts could be paid on a multilateral basis and various other transactions performed. At first glance it is a good idea. But it is just another illusion. Such a bank

will not produce anything except a benefit for Russia. As I have already said, an international bank for economic cooperation was already established within CEMA at one time. Today it has practically ceased to exist because the operation of a system of multilateral accounts and credit has no future. Maybe we will at least learn from mistakes."

Under the new conditions, I am deeply convinced based on my knowledge of banking, the only payment scheme that can be used is one based on the national currencies of the countries participating in the accounts. Now all partner countries will be in equal starting conditions. And during the trade process as one's economy proves stronger, that country's currency too will have greater weight.

This is one of the steps that will make it possible to speak more realistically about approaching internal and external convertibility of our own currency. But this process will take many years. And if we make a mistake today and employ outdated models, we will lose more time. But time, as they say, is money.

As for S. A. Bogdankevich's desire to be the administrator for other banks, this is simply nostalgia for the past that gives the National Bank no peace. Instead of regulating the activity of the banking system in a civilized manner using economic methods, the director of the National Bank would like to interfere in operations, carry on petty overseeing, and moreover assume obligations to perform the functions of a commercial bank, which is not appropriate for the National Bank.

In such a situation the administrative and autocratic approach appears as a style of leadership and management.

The new two-level system is just being started. Years are needed for this system to get going. And this system must not be killed off at birth in such a crude and unpardonable way as S. A. Bogdankevich is doing.

Parliament Faulted for Lack of Purposeful Activity

93UN04944 Minsk NARODNAYA HAZETA in Russian
2 Dec 92 p 1

[Article by Pavel Yakubovich, under the rubric "The View from Minsk": "The Ratings of Some Have Dropped, for Others They Still 'Stand Tall,' but All Are Content"]

[Text] If there was anything interesting and colorful on the opening day of the Russian Congress (other than B. N. Yeltsin's report, of course), it was mainly pearls of oratory art. Here a certain Volkov comes forward and proposes including a point in the agenda about how the ratings of the Russian deputies have dropped in the eyes of the population. The microphone is immediately taken by a man who gives his name as Tikhonov: "Maybe Volkov's rating has dropped, but mine stands tall." Both

leftists and rightists and even women smile in amusement at the charmingly indecent remark, while the important moral aspect itself is forgotten and withdraws into the deep shadow. Khasbulatov's clever line, offered by the witty speaker as a response to the demand of the well-known parliamentarian Baburin, also made an impression. In his typically sober manner Ruslan Imranovich said, "I offer you a report which not even the opposition could have imagined." It seemed to me that even Baburin, who has been around, lunched and grabbed the microphone stand with both hands.

I am sorry to say that, like most of the preceding ones, this congress unfortunately looks more like an entertaining show than something "fateful" and holding "historical significance."

Moreover, the vote on placing the question of President B. N. Yeltsin's "betrayal" of the Constitutional Court on the agenda showed that a large, decisive share of the deputies were not in a militant mood, and the leaders of the "uprising"—Aksyuchits, Baburin, Pavlov, and others—can shout as much as they want to but they will not bring down the president or the government. Their appeals "to the cobblestones" and their militant singing of "Arise, Vast Land!" have no more chance at life than a snowflake which lands on a working gas burner.

After the first television impressions from Moscow, being in the meeting hall of the Belarus Supreme Soviet was about as interesting as going from a basement where two boxers are battling furiously into a formal chamber music hall. With us everything is elegant and quiet. Although, if we continue the associations from sports, this silence resembles a game of water polo. At the pool surface everything is done within the framework of the rules, but under water the players kick each other mercilessly, try to hold a breakaway opponent down, and generally behave quite freely. On the surface, though, things are smooth and peaceful.

After a few weeks of meetings some conclusions can be drawn. The people's deputies readily discuss the most varied draft laws, except those which are vitally important. The laws on collective contracts, the cultural-historical heritage, and many others are unquestionably important and demand parliamentary treatment. But all these things are, in my view, peripheral matters, far from the main issues. On the main road of real life there is a breeze blowing, of uncertainty and a certain social skepticism. There still are no laws capable of radically reforming the economy and no laws on property. Practically everything that the Supreme Soviet discusses is "distributive." Unfortunately, it appears that soon there will be nothing to distribute. This is because, as one man who is very knowledgeable about life said, "You cannot store new wine in old skins." Pensioners are demanding a better life, plant managers want independence, and everyone wants higher pay. But from what heavenly depths can this warm rain that pleases everyone fall eternally? It is impossible to plug the gaping holes in the budget with nothing but taxes on entrepreneurs. The

government is raising prices, and that is very sad. But frankly, what else can it do if the new laws are simply unable to break through the Procrustean bed of yesterday's views and ideas? Perhaps this does not particularly alarm some legislators who are desperately confident that, although someone else's rating may have "dropped," their own is "standing tall." Blessed is he who believes

Belarus Struggles To Maintain Adequate Fuel Supplies

Liquefied Gas Shortage 'Catastrophic'

934404804A Moscow IZVESTIYA in Russian 11 Dec 92 p. 2

[Article by M. Shimanskiy, "Belarus Finds Itself Without Gas"]

[Text] Belarus has been experiencing a catastrophic shortage of liquified gas. Residents in villages and in the private sector in cities are not getting even a single tank. People are desperate: there is no way to either cook or heat water. The delivery of gas to industrial enterprises and construction and transportation organizations has been discontinued. It has come to where the emergency reserve stock of liquified gas as well is on the brink of exhaustion.

What is the problem? That was the question I asked A. Korets, vice president of the "Beltopgas" concern.

There are several reasons, he said. Liquified gas is produced from petroleum. Inasmuch as its extraction has decreased in Russia, Belarus receives petroleum and liquified gas in much smaller quantities than previously. Two of our largest oil refineries at Mozyr and Novopolotsk are presently operating at only 40 - 50 percent of capacity.

Secondly, total confusion is introduced by a lack of coordination between the banks of CIS members. Representatives of our concern have already been in Russia for a long time and managed to achieve something: thanks to Bashkortostan for slightly increasing the shipment of liquified gas to the republic. Nizhniy Novgorod is promising to ship some. Utilizing this opportunity I want to ask Orenburg and Okhta, through IZVESTIYA, to fulfill their obligations and ship us liquified gas in the amount agreed on by contract.

What else is there to say? Belarus understands the complexity of the situation with the extraction of petroleum in Russia and, is attempting to ease this situation in every possible way. That is confirmed by the very restrained position of Belarus and its fulfillment of contractual obligations to Russian enterprises. At present they are asking the following question in the republic—are the Russian monopolistic oil producers uncontrollable? After all their behavior is certainly not consolidating friendly relations between Russia and Belarus.

Greater Energy Independence Sought

934404809B Minsk SOVIETSKAYA BELORUSIYA in Russian 25 Nov 92 p. 2

[Interview with L. Batyan, head of the long-range development service of "Belarusenergo" by M. Kovalev, place and date not given: "In Order Not to Be Debtors"]

[Text] The problem of energy supply was aggravated in the republic with the disintegration of the USSR. Its own capacities satisfy only 80 percent of the requirements. The progress of disintegration continues and it is becoming increasingly more difficult to purchase the lacking electric power. In order to diminish dependence on supplier countries, specialists and scientists worked out a program for the development of power engineering up to 2010. We asked Larisa Batyan, head of the long-range development service of "Belarusenergo," to describe it for us.

Formerly we were helped by the neighbors, Larisa Panteleymonovna said. 60 percent of the deficit was covered by Lithuania and the rest—by Russia. We received a small amount of electric power from the Chernobyl Atomic Electric Power Station. Now everyone thinks only of himself. The unrestrained growth of prices for "foreign" energy sources is a blow to the economy of the republic. That is why the Minsk Heat and Power Station - 5 is already under construction at the present time. In a year or two it is planned to begin the expansion of Lukomlsk and Berezovsk State Regional Electric Power Stations together with the construction of the Zelvensk State Regional Electric Power Station in Grodnenskiy Oblast. By the way, that oblast is suffering more than others. Almost all the energy arrives there from Ignalinsk Atomic Electric Power Station, and its managers, who purchase fuel from Russia at world prices, are forced to employ extreme measures. Just recently they charged slightly over three rubles a kilowatt hour and by the end of the year they are promising to raise this figure to eight.

[Kovalev] Will we be able to get rid of the deficit if the conceived idea comes to fruition?

[Batyan] We will begin generating only what we need for consumption. But we will not be able to avoid interruptions. The developed countries ensure a reserve, a kind of insurance against unexpected developments amounting to 20 to 30 percent of the overall capacity. In such a short period of time however, we will not be able to create even 13 percent, there is no money. Even without that, according to current estimates, realization of the elaborated design will cost 1.8 trillion rubles. After all, in addition to the introduction of more capacities it is also planned to have expenditures on energy conservation measures as well. That is important if one takes into account that prices on Russian fuel increased by a factor of 350 as compared with 1990.

[Kovalev] All of Belarus power generating capacities operate on fossil fuel. It is emphasized in the new program as well. According to estimates of scientists there will be enough petroleum for another five to ten

years, and coal and gas also will last for only short period of time. I believe that it will be impossible to get by without atomic energy.

[Batyan] I feel confident that there are no alternatives to atomic electric power stations. I find it hard to understand the position of those who are against them. There are quite a few designs in the world which ensure the safety of atomic electric power stations. It is indicative that the radioactive background around them is lower than in areas around "coal" stations, which are "famous" for their emission of toxic chemicals. One way or another Belarus is hostage to the Ignalinsk and Smolensk Atomic Electric Power Stations on the border. Moreover, these stations will become much more dangerous if we continue to "feed" on them. After all Lithuanians and Russians, in their drive to earn as much as possible, will load the atomic electric power stations to their maximum limits and that, as you can understand, is fraught with problems...

[Kovalev] It turns out that the speeches of pseudohumanists are winning out instead of good common sense?

[Batyan] I don't think so. We are still hoping to place into operation the first bloc of our own atomic station after 2005. We are currently searching for a site for it. Constructed on the basis of the state of the art reactors it will be much more reliable and safer than those which are surrounding us. But we are unable to build an atomic electric power station on our own. Design institutes and plants for the production of equipment are located in Russia. All types of organic fuel utilized by our stations, by the way, are also located there. Therefore it is necessary to maintain friendly relations with Russia. I think that the Baltic states secretly regret their sharp disagreements with it. In Latvia, for instance, heating costs per square meter of housing area costs 40 rubles. While hot water is available only twice a week.

MOLDOVA

Recent Parliamentary Actions Reviewed

93UN0511A Moscow NEZAVISIMAYA GAZETA
in Russian 10 Dec 92 p 3

[Article by Aleksandr Tago: "Present Circumstances Are Stronger Than Parliament; A Wave of Strikes Has Swept Through the Republic"]

[Text] Almost two months of work by the parliament of Moldova culminated in the passage of around 20 legislative bills. They included important laws on taxes, state customs, and the state privatization program and several other documents laying a solid foundation for economic reform. Although some documents were approved only in their first reading, there is no question that the supreme legislative authority has made some progress. No one, however, could describe this progress as significant in view of the fact that the discussion of the group of economic issues has not come to an end yet, and this

will be followed by the discussion of four more groups, pertaining to around 80 issues. It does not take a prophet to predict that this fall session of parliament will not end before next fall. Because of this, some members of parliament have been trying to revise the rules of procedure. They have suggested that parliament work five or even six days a week instead of the present three, but these proposals have been rejected. The deputies have extended their work day by only 1.5 hours and their work week by only half a day. At the same time, however, they decided to hold plenary meetings within a week after 15 December, and this will reduce the actual work time of parliament even more. The main change in the rules of procedure was not approved either: the proposal that the deputies' seats in parliament be grouped according to factions, and not according to electoral districts, as they are now. During the roll-call vote, this was opposed vehemently by the deputy faction of the Christian Democratic People's Front. The members of this faction gave various reasons for their refusal to be seated according to their political convictions, but it was obvious that the People's Front was reluctant to demonstrate something that has become apparent recently: The number of its supporters in parliament has decreased considerably. They do not have enough votes for the passage of resolutions important to the People's Front, but this has not kept them from blocking the passage of decisions and documents they do not like. Various social upheavals and unscheduled debates also create difficulties in the work of parliament. It took several days, for example, to consider the emergency economic measures the executive branch had proposed, but these were eventually instituted only by a presidential ukase. Under pressure from the Association of Victims of Political Repression the members of which had been picketing parliament steadily for two months, a law was passed "on the vindication of the victims of repression by the communist totalitarian occupation regime." The deputies had to accept this document, even though the billions of rubles needed for the payment of compensation cannot be described as freely available budget funds. The deficit of almost 20 billion rubles is growing each day, and no additional sources of revenue have been found yet. Besides this, additional funds are needed to satisfy the demands of strikers, now that a wave of strikes has swept through the republic. Bus drivers, construction workers, teachers, and medical personnel—all of them are demanding higher wages. At first parliament resolutely denied all of these requests, saying that a republic law on wages would be passed before the end of the year and would set new wage rates for all categories of workers, but circumstances turned out to be stronger than the deputies, and many decisions were made under their influence. This is what happened, for example, with the wages of teachers. After the deputies had refused to satisfy the strikers' demands, they eventually had to make concessions, to the detriment of the republic budget. After a two-week strike by republic teachers, around 2.5 billion rubles in budget funds had to be allocated for an increase in wages for November and December. It is possible that additional funds will have

to be allocated to appease the strikers. As soon as the deputies' children went back to school, medical personnel threatened to go on strike. A general strike has been scheduled for 16 December, at which time only first aid stations, emergency and operating rooms, and pediatric medical establishments will remain open. When Prime Minister Andre Sangeli was interviewed on national television, he said that the government knew who had instigated the strikes. He blamed them on the Christian Democratic People's Front, the leaders of which have made every effort to encourage the strikers. The prime minister said that the members of parliament from the People's Front were creating problems and digging a hole for themselves by supporting the strikers while voting against their demands and destabilizing the situation even more. He stressed that the government would not be making any concessions and would not give anyone any more money, because there is simply nothing left in the budget. The members of parliament, however, have a slightly different view of these problems. Under the cover of good intentions and general statements, the People's Front faction is almost openly promoting destabilization, in the belief that this will hasten the long-awaited day of unification with Romania. They are forgetting that the continuation of these efforts and the further complication of the parliamentary crisis could mean that new parliamentary elections will have to be scheduled on a multi-party basis. In this case, it will be the Christian Democratic People's Front that will have the least chance of winning the race and securing the attainment of its policy objectives. It is probable that new elections on a multi-party basis will be held as early as spring or fall of the coming year, but this will require the passage of a new election law, which is now being discussed in parliamentary commissions and political parties. Most of them still object to this legislative document, and this is making the existence of the present parliament and the establishment of a new one problematical.

Republic's Problems, Future Pondered

93UN0511B Moscow ROSSIYSKIYE VESTI
in Russian 12 Dec 92 p 2

[Article by Leonid Sergeyev: "Fragile Peace: Politicians on the Dniester Cannot Find a Common Language"]

[Text] It could hardly have been a coincidence that Deputy Secretary of State Dogataru of the Romanian Ministry of Internal Affairs announced Romania's hope of uniting with the former Soviet Republic of Moldova within the next eight years. When he was interviewed by the REUTER agency, he said that Romania hopes to achieve unity with Moldova as a result of gradual integration. A scientific symposium held a few days ago in Chisinau to discuss problems in the economic integration of Moldova and Romania offered indirect proof that the high-level diplomat from Bucharest had a specific program in mind. Specific references were made to

the synchronization of economic policy with the processes of transition to the market economy, the coordination of monetary, fiscal, price, and tariff policy, the joint resolution of social problems, and the coordination of foreign economic operations. The symposium was attended by specialists and also by representatives of the parliaments and governments of Moldova and Romania.

It is true that President Mircea Snegur declared the immutability of the intention to preserve Moldova as an independent state. He expressed concern over the statement that the unification of Romania and Moldova would occur within eight years. "Statements of this kind can only destabilize the situation in the republic," the president said. Snegur expressed the wish that Romanian diplomats would take a "more serious and responsible" approach to such statements. "If the decision to unite is ever made, it must be made by the people of Moldova," he said.

According to M. Snegur, just recently he still thought that the CIS could serve as a collective coordinating body for the former republics of the USSR. "Day after day, from one meeting of the heads of the CIS countries to the next, it is apparent that the leaders of some states intend to restore all of the structures of the former union," he remarked. Chisinau believes that the very concept of a CIS charter is tantamount to the creation of a new state. "Moldova cannot agree with any of these theories and cannot sign a Commonwealth charter," Snegur stressed, adding that Moldova wants direct bilateral relations with independent states.

Stressing the resolute position of the republic's leadership with regard to the Dniester question, Snegur completely excluded the possibility of granting "this unconstitutional entity" the status of a republic. In response to a question about the negotiations with Tiraspol, the president of Moldova said they could be more successful if the "separatists" did not have the complete military, political, and economic support of Moscow. An alternative solution, he said, must be found, deliberated by a commission of experts, and then submitted to parliament for a decision. To this end, there have been constant meetings with the administrators of Left Bank rural communities and farms, who are growing impatient with the uncertainty of the situation. "As the leader of Moldova, I cannot abandon the local population of the republic's eastern regions, where 40 percent of the inhabitants are Moldovans, to the whims of fate," Mircea Snegur said.

Moldovan Minister of Defense, Division General Pavel Kriange believes that the 14th Russian Army, deployed in the Dniester zone, is the main destabilizing factor. "We have demanded and will continue to demand its unconditional withdrawal from the republic as quickly as possible," the minister said. "We believe that the Russian Defense Ministry is supporting the illegal regime in Tiraspol." Kriange stressed that Moldova intends to appeal to international organizations for assistance in this matter. He said that UN and CSCE

the Moldovan Ministry of Defense hopes to solve the problem of the withdrawal of the 14th Army with their help.

The Left Bank leaders, however, have not changed their minds. They are certain that no decision should be made on the 14th Army until a decision has been made on the political status of the Dniester zone. Otherwise, the Russian servicemen will leave and the zone will be helpless against the Chisinau government. Chairman Grigoriy Marakutsa of the Supreme Council of the Transdnister Moldavian Republic said that the status problem could be solved only by means of the federalization of Moldova and the creation of a confederation within its territory, consisting of three republics—Moldova, Gagauzia, and the Transdnister Republic. He stressed that "Gagauzia and Transdnister should have at least the status of autonomous territories," so that, in case Moldova should unite with Romania, "they will be able to exercise the right of self-determination and not be forced to become part of greater Romania." Grigoriy Marakutsa criticized the Moldovan leadership and accused the parliament and the president of turning the Moldavian people into Romanians. He declared that "the creation of the Transdnister Moldavian Republic saved the Moldavian nationality from extinction and total Romanianization."

The same opinion was expressed in an appeal to the Russian leadership from the Supreme Council. The appeal says that the people of the Dniester region cannot trust the Moldovan leadership after the events in Bendery, because they feel that it is pursuing a policy of unification with Romania and isolation from the CIS. The Supreme Council also thanked the people's deputies of Russia for the peacekeeping force that had stopped the bloodshed in the Dniester region.

This whole group of political and military problems on the banks of the Dniester has been compounded by Tiraspol's own difficulties. The unsuccessful attempt at a military coup and the scandalous statements of city Commandant Mikhail Bergman, who accused the Left Bank leadership of every mortal sin without any proof whatsoever, underscore all of the twists and turns in the road to the genuine independence defined in the referendum, but the people of the Dniester region feel that this is the only possible road.

Transdnister Representative in Russia Interviewed

*31 Nov 110 Moscow PRAVDA in Russian 16 Dec 92
p. 2*

(Interview with Igor Mikhaylov, special representative of the Transdnister Moldavian Republic to Russia, by Vladimir Ryashin, on 15 December 1992; place not given: "Dniester Wreckage: Politicians Are Having Difficulty Building Bridges Here")

politicians, but for the people who live there it represents hundreds of graves where the grass has not had time to grow yet. At a meeting with journalists yesterday, Igor Mikhaylov, special representative of the Transdnister Moldavian Republic to Russia, reminded them that the people's wounds have not healed yet.

"The only option our republic is willing to accept," I. Mikhaylov said, "is a confederate union with Moldova. Those who question the sovereign status of the Dniester region do not know much about history and do not want to abide by international law. The independence of the Transdnister Moldavian Republic has been confirmed by the will of the people, expressed by them in a referendum. Besides, what kind of claims can Chisinau have to the Transdnister after the slaughter the armed forces of Moldova committed in Bendery and other cities and rural communities? The UN declaration on ethnic minorities specifically says that ethnic minorities will have the right to secede from a state if crimes and acts of genocide are committed against them. Unfortunately, Russian diplomats have excluded our republic from the negotiations that will decide the future of the Dniester region. Furthermore, UN and CSCE structures often take the side of the strongest party in a conflict."

[Ryashin] What can you tell us about the 14th Russian Army?

[Mikhaylov] This very day, 15 December, the parliament of the Transdnister Moldavian Republic will be discussing a bill on its status, to legitimize the army's presence in the republic. Of course, the decision to withdraw or not to withdraw the 14th Army must be made by Russia, but the Dniester region will do everything within its power for the social protection of the Russian servicemen—from the resolution of housing problems to the guarantee of pension security.

I sometimes have to explain to foreign diplomats and journalists that there are only a few thousand soldiers in the 14th Army. The commotion over the threat they pose has been artificial. People in the Dniester region remember that units of this army liberated Tiraspol and Bendery from the Fascists in the Great Patriotic War. People do not want the army to leave.

[Ryashin] But then why did certain forces in Transdnister try to discredit General Lebedev, the commander of the army?

[Mikhaylov] Yes, there was some friction, and it was reported in the press, but today the republic leaders are doing their best to prevent conflicts with the commander of the 14th army.

Bulgarian Association Formed

93UN0511D Moscow NEZAVISIMAYA GAZETA
in Russian 10 Dec 92 p 3

[Text] An association of Bulgarians from the village of Tarakliya (a community with a large Bulgarian population) has been established in Moldova. The members were born in that village and are living in Chisinau. The head of the Bulgarian sector of the State Department for Ethnic Affairs Vladimir Ivanov told a NEZAVISIMAYA GAZETA correspondent that the main purpose of the new Bulgarian social organization is the expansion of the Chisinau Bulgarians' cultural, scientific, and commercial ties with their historical homeland.

The bylaws and program of the Bulgarian association also envisage the restoration of contacts with cultural and scientific organizations in Bulgaria, work and study

programs for specialists in Bulgarian academic institutions, and the opening of a Bulgarian national theater in Chisinau.

Liquidation of Law Enforcement Organs in Bendery

93UN0511E Moscow NEZAVISIMAYA GAZETA
in Russian 11 Dec 92 p 3

[Text] The United Council of Labor Collectives (OSTK) in Bendery is demanding the dissolution of Moldovan law enforcement agencies in the city.

Spokesmen for labor collectives at an OSTK meeting also demanded new elections to the city executive committee.

According to the OSTK leaders, the work of Moldovan law enforcement agencies in Bendery could destabilize the situation in the city.

KAZAKHISTAN

Alma-Ata Residents Surveyed on Political Movement Awareness

934502281 Alma-Ata KIR 11 TV in Russian 30 Oct 92 p 3

[Report by Leonid Gurevich: "Who Would You Like To See at the Helm? As of Now, the Answer Seems To Be 'Nobody'"]

[Text] *The party is our helm. In the Soviet society these words were accepted as axiomatic. However, former Soviet people are not yet convinced that a state can be "steered" without any party or parties, and several new candidates have been nominated for the "vacancy" of the helmsman in this case in the independent Republic of Kazakhstan.*

But it has turned out that our fellow-countrymen have hardly the best memories when it comes to the very concept of a "party." For that reason ordinary citizens regard quite cautiously and even skeptically the prospect of seeing the helmsman of the state dressed in the colors of some party. And this was shown by a telephone survey which KARAVAN's Sociological Service conducted among the inhabitants of Alma-Ata.

Most of the respondents (50.7 percent) did not know (and—incidentally—did not want to know) any political parties. Taking this impressive figure into account, the rating which we obtained for the knowledge of the political parties and movements now active in Kazakhstan appears as follows:

Party (or movement)	Percentage of persons polled who stated they knew of the existence of that party (or movement)
Azat	30.5
Communist Party	28.0
Zheltoksan	25.5
Alashi	24.1
Social Democratic Party	18.5
Socialist Party	13.2
Y. Zhirgatay	12.9
Green Party	6.2
People's Congress	2.2

Moreover, the overwhelming majority of Alma-Atans derive their knowledge of these parties by studying their programs. Knowledge about the parties frequently bears with it a breath of scandal and is hardly equivalent to their popularity. Not a single one of the above-named parties inspires any substantial number of our correspondents with trust or confidence. And so, in replying to the question "The activity of which party will lead, in your opinion, to an increase in political tension in this republic?" 18.5 percent named "Alashi," 15.2 percent—"Azat," 11.3 percent—"Zheltoksan," 4.8 percent—the

Communists, 3 percent—the Social Democrats (only one or two of the respondents each mentioned the remaining parties or movements in this regard).

If elections were to be held from the party lists at the time of this poll, then 31.4 percent of our respondents would not have voted at all, and 46.8 percent did not know whom they would have preferred. Albert meager: the number of advocates of the Social Democrats (7.3 percent) and the Communists (6.4 percent) among those persons polled were outstanding against the overall background. The remaining parties were at levels of plus or minus 1 percent.

In this connection, many of our respondents stated they would like to vote not for a party, but rather for a specific person. Well now, that is a perfectly natural desire taking into account the persistent personification of the Soviet and even "post-Soviet" political awareness, and the fact that we are now living in a multiparty society with a non-party regime.

By the way, the fact that our president is now a non-party man is known by only 32.5 percent of those persons polled. To the question: "Which party does the president belong to?", 54.1 percent could not answer, 7.6 percent thought that Nursultan Abishevich was a Social-Democrat, while 3.6 percent thought that he was a Communist.

"I want to make the magnificent word 'Party' shine anew." This intention of Vladimir Mayakovskiy has hardly been realized by anyone nowadays.

Transportation Cooperation With Eastern Europe Viewed

934105061 Moscow GI DOK in Russian 9 Dec 92 p 2

[Interview with Ye. Temirbayev, deputy director, Department of Railroad Transportation, Kazakhstan Ministry of Transportation, by S. Dmitriyev, Alma-Ata; date not given: "Where Are You Heading, Sovereign Railroad Car? Kazakhstan's Transport People Restore Ties With the Eastern European Countries"]

[Text] *In the Kazakhstan Ministry of Transportation a program is being worked out which provides for restoring old ties and signing new contracts—but now on a bilateral basis. Questions regarding the initial steps being taken in this direction are answered below by Ye. Temirbayev, deputy director of Kazakhstan's Ministry of Transportation.*

[Dmitriyev] How do you explain the address of your recently completed business trip—Romania? It is understandable when your colleagues "work" the entire track along the route from Istanbul to Beijing. But what about the "jump to the side"—to Bucharest?

[Temirbayev] Not to the side, but to the very point! The fact of the matter is that within the former CEMA the Romanians were "responsible" for producing certain

types of freight cars. They have enterprises which perform the full cycle of production: from casting the metal to marking the finished products. Many of the plants are 150 years old, but that does not mean that their equipment dates back to "Grandfather's time." It would be more appropriate to speak about the traditions of their craft, the masterful skills of the workers, and the intellectual goods of the engineers, which they hand down from generation to generation.

Romanians used to export railroad cars via the foreign trade firm known as "Mekaneksportimport," which is now headed up by Cornel Angel. The railroad-car construction plants obtained the right to engage in foreign economic activity. At first glance, it would seem that they no longer needed any middlemen. But even Mr. Angel's firm does not stand still, but rather adapts to the new economic realities. They have splendid personnel in their foreign trade missions with an excellent knowledge of business conditions. Intelligent and extremely well-organized, these middlemen save the firm from a mass of problems.

It must be said that the Romanians are just as interested as we are in restoring the disrupted ties. Their plants were basically keyed to the immense market known as the "Soviet Union." It is unrealistic for them to expect that they can break through to the West with their products. And so we must work together.

Romania is experiencing a period similar to that in our country, inflation, unemployment, and a decline in production. And so it is all the more gratifying that—under these conditions—the government has seen fit to maintain its railroads in excellent shape.

[Dmitriyev] Your business trip was probably also brought about by the fact that our republic's railroad-car fleet is far from being in any better shape. Is that not so?

[Temirbayev] Of course. After the "division of property," we were left—so to speak—with nothing. Judge for yourself: Out of 43 plants under the jurisdiction of the former USSR Ministry of Railroads, there are only 4 located in Kazakhstan. They comprise two plants making railroad ties in Akmolinsk and Aktyubinsk and two railroad-car repair plants in Akmola and Alma-Ata. But we developed even these plants without the necessary zeal, why should we have done so if everything was being supplied and delivered by the Ministry of Railways?

After the fleet was divided up, we have been left with 7 percent of the freight cars. That's a bit thin.... Romania is prepared to sell us everything that we need and in any amounts. But you know that we have just begun to earn currency, and we do not intend to be particularly "free-handed." We are in very great need of freight cars for carrying grain, as well as tank cars, as much as a thousand units. I hope that you understand why. Kazakhstan is the only country in the CIS which provides enough grain for itself and proposes to offer some in trade. We do not have enough tank cars to service this

republic's oil and gas complex. But we would not simply want to acquire railroad cars in and by themselves. We are insisting on exporting technology, and our partners are in favor of this.

Obviously, we will modernize the Akmolinsk plant with the help of our partners. It is interesting that when we were in Romania, a group of Romanian specialists were arriving in Akmola. And, in general, we intend to create our own base. It was decided, for example, to reorient the plant producing hoisting equipment in Akmolinsk—a plant which used to be under the jurisdiction of the USSR Ministry of the Maritime Fleet. Here they have already set up and fine-tuned the production (within just two months) of doors for boxcars, as well as flanges, flatcars, hatches, and gondola cars. Thus, we have retained skilled personnel in this city and are making good use of their contribution to this republic's ecological program.

[Dmitriyev] And how do you intend to pay the Romanians?

[Temirbayev] The form of "payment" is well known. It is barter. This may be mazut, petroleum, rolled metal, copper, or other metals. Moreover, we do not intend to "beg" for anything in the government. We have developed quite good business relations with several metallurgical combines. They are interested in moving their own products into China, and so they are also interested in developing the Druzhba [Friendship] Station, as well as re-outfitting the railroad fleet. The advantage here is a mutual one.

[Dmitriyev] And probably not only for our countries, but also for the Eastern European ones. Because, after all, the route through Kazakhstan is the shortest and cheapest way not only to China, but also to Japan, Korea, and Singapore....

[Temirbayev] Perfectly true. In developing ties with our eastern neighbor, we are thereby indirectly rebuilding and modernizing CEMA—of course, on a fundamentally new basis. Formerly, every matter had to be coordinated in the Moscow offices. Nowadays we decide everything ourselves, in consultation with our colleagues in the CIS.

[Dmitriyev] And how are relations evolving with our former CEMA partner—the GDR, which has now become a part of a united Germany?

[Temirbayev] Germany was and remains the largest and most important supplier of railroad passenger cars to Kazakhstan. We have succeeded in signing a contract for the delivery of such cars on a privileged basis. What does this mean? Every major deal in Germany will be insured by a specific company, in our case—by Hermes.

According to the conditions of the contract, payment for a car is to be made within three years or over the course of ten years, and our republic has decided to "loosen the purse-strings" for 130 cars.

Our German partners wanted our new relations to be built on the principle of "buying and selling." But here too we insisted on the export of technology. Large-scale

construction of enterprises is beginning. Practically speaking, this means creating a new sector for Kazakhstan: railroads are construction. And repair operations will be concentrated in Kyzyl Orda. According to the plan, the Wagonbau enterprise will supply and deliver equipment worth 1.5 million German marks.

And we have one more intention to purchase diesel trains in Romania. This would substantially ease our situation in Alma Ata and Ust Kamenogorsk. Alma Ata would be able to ride out to the rest and recreation zone in Kurchabay more frequently, and new tourist routes would be laid out. And the inhabitants of East Kazakhstan would no longer have the fuss and bother of bus stops. Many people are employed in the industrial enterprises to the east. Just as before, it is not easy to get to work, and then to go back home.

[Dmitriyev] By the way, speaking about other types of transportation: Aeroflot has increased its ticket prices, but you have not decided on this matter. It is not difficult to imagine that most people will be biased in favor of the railroad.

[Lisovsky] Yes, although this year our hauls will bring about 400 million rubles for the republic—more than 2 billion rubles. But a railroad is not created for persons with tight purses. Here, moreover—despite this—we have maintained the traditions of respect for the law and for the state.

[Dmitriyev] It's hard to imagine that the railroad people would "engage in trade" with the government the way the air dispatchers.

[Lisovsky] It is probably better to earn money on the law rather than be incessantly begging for it.

[Lisovsky] For example, the railroad people "trade" like a farmer. In one of the passenger cars they have sleeping compartments—new beds, clean sheets, and even toothbrushes. The prices are somewhat lower than for an airplane. If the tickets were bought up almost immediately, it is possible that we should put cars for passenger operation; this should not, however, replace the popular cars but be used along with them. If the train now has rich people in it, they must be given the opportunity to spend their money. Because when all is said and done, those funds will allow us to solve many technical problems.

[Dmitriyev] At one time, when your department was formed, calling for the coordinated operation of railroad, automotive, river, and sea transport, fears were uttered that yet another administrative monster was being created. What is your opinion on this matter?

[Lisovsky] I consider that this ministry had to be created. It is another matter that our stormy life introduced some hasty and corrections. The ministry was approved by the state policy in the transportation field (transportation, scientific and technical progress, state

investments, etc.). However, practice has demonstrated that we still cannot get by without interference in economic activity. Let's suppose that our republic had three railroads, and that sometimes their interests were divergent. There's no tragedy in this. Every collective defends its own interests. However, there should also be an arbitrator. That is why the three railroads came to the following decision: to finance the activity of a Department of Railroads, which would become a legal entity, a juridical person, so to speak.

N. Isingarin, our minister, supported this idea. We are striving not for centralization but, on the contrary, for a more flexible structure. The Kazzheleossnab (commercial state formation) was created, and this has allowed us to take some of the sting out of the "problem of problems"—supply and delivery. We now have our own new "Leimibank," which has opened 12 branches in various cities of Kazakhstan. In any case, we no longer have to worry about the availability of cash. The Kazyneshtrants has been created—a firm which will engage in import-export operations and expedite goods being hauled as freight.

Let me emphasize the following point. We are restructuring our own activity, taking world experience into account. We are going into Europe not only to conclude commercial deals, but also to learn things. Sovereignty does not mean a nationally closed and restricted system.

TURKMENISTAN

Third Democratic Plenum Analyzed

9th SOVIET AShad at TURKMENISTAN, Turkmen, 12 Aug 92, p. 1.

[Article by Kakamystad Baitiev: "We Must Move From Words To Deeds" (Thoughts Following The Third Plenum Of The Political Council Of The Turkmenistan Democratic Party).]

[Text] Although only a little time has passed since the founding of the Democratic Party in Turkmenistan, discussions about the increase in its ranks and the fact the greater majority of former Communist Party members are entering it are heard. But what kind of work is the party engaged with and can this work be organized in accordance with the demands of the times? Can it even achieve the duties already set before it? In order to increase the reputation of the party and be an example to the people, what direction should it take? The answer to these questions was expected at the third regular plenum of the Political Council of the Turkmenistan Democratic Party on 11 August of this year.

There are four questions on the agenda of the plenum of the TDP's Political Council: on the first results of the work of Turkmenistan's Democratic Party and improving on them; the party's financial situation; the

party's normative-methodological documents, and similar organizational questions. Although plenum participants discussed work accomplished in a lively manner, it would be better to say in the name of justice that the real situation of the work is otherwise. As for the increase in party ranks through members of the former Communist Party, it is not something they boast about, even the question of the payment of party dues is unsatisfactory. Provincial, city and regional party committees are working without commitment, and sometimes workers in the party apparatus themselves have begun to come and go without doing the work they were supposed to. In such a situation it is not easy for the party to gain a reputation among the people.

The majority of those speaking at the plenum could not agree in any way with those who would show that all the work done was good. If we do not say that those who spoke without lifting their eyes from a speech written beforehand missed the target, we could say that they closed their eyes to the real situation. Turkmenistan, in which very little time has passed since declaring independence, has no need to understand the uselessness of this type of approach or regret taking the high road to economic and social development. People are tired of empty words filled with bombast and they cannot be assuaged by lies.

At this plenum of the Political Council of the Democratic Party it is not by chance that Saparmyrad Atayevich Niyazov began his speech on his assumptions about moving from words to deeds. When he spoke at the plenum he stressed especially the importance of indicating the true situation and that it was needless to sit around and talk about it.

As for the situation, it does not resemble that which was stated by the majority of speakers, they were not even able to point to it in their actual work, they were unsuccessful in moving the attention and demands of the members in a clear direction or sustain innovations. The party's interrelationship with other public organizations is weak and its cadres are powerless in working at the level of demands of the present changing times. In such a situation, increasing the party's reputation is tantamount to taking wool from a snake.

In his speech at the plenum, S. A. Niyazov dwelt on each of the things causing the party's breakdown and expressed his own personal views on these questions in detail. It was impossible not to listen to what he said about the reasons for the collapse of the Communist Party. In fact, the Communist Party fell on the basis of the relentless struggle of certain forces and groups for the government, and because it was unable to survive the test of a time full of contradictions. Now one needs to counteract all kinds of slander directed at members of the present Communist Party for having stood by the former Communist Party. No one doubts that in the organization of the Communist Party there were many people who worked for the people honestly and sincerely. There is no point in regretting the past. When the party

was established, whatever its goals were, it is not difficult to believe that through the fault of certain individuals the party was moved in an entirely different direction. As these mistakes will not be repeated, the essential issue is structuring the work of the new Democratic Party in accordance with the demands of the day. If the Political Council relied only on the strength of provincial, city or village organizations it could not accomplish anything. It is important that every party member understand his vast responsibilities to the public and act accordingly.

President S. A. Niyazov especially stressed that with regard for the opinions of those arguing that the Democratic Party is the only active political party in Turkmenistan and debating when it will go over to the command system, these were not worth discussing. Multipartyism is constitutionally guaranteed in Turkmenistan. "Citizens have the right to establish political parties and non-public organizations which will operate within the limits of the Constitution and the Laws," he said. This is stated in Article 28 of the Constitution of Turkmenistan. The establishment and operation of political parties or other public organizations whose only goal is to change the Constitution by force, permit the use of force in the conduct of their work, speak out against the constitutional rights and freedoms of citizens, promote war or ethnic, national, social, or religious animosity, or undermine the physical and moral health of the people, as well as paramilitary organizations or political parties based on nationality or religion are forbidden. This is clear to everyone.

S. A. Niyazov said that if the Political Council of the Democratic Party of Turkmenistan and its members would speak out in support of the establishment of other political parties, it would increase its reputation. "Now" interest is felt in Turkmenistan for establishing a Peasants' Party, no one would obstruct this, but that there is still hardly enough experience to do so. For this reason the President himself proposed supporting the creation of a Peasants' Party at the plenum. Other than this, the President even drew attention to the need in helping the work of turning the youth organization and some public organizations into political parties. By doing so, he proved that the independent state of Turkmenistan is based on democratic principles.

Yes, he stated clearly that in administering the state there must be a close relationship to support for political parties. One can doubt that this will dampen the voices of political scientists who speak as if it is impossible to move to multipartyism. But this is not the only reason for allowing the widest possible latitude for forming political parties. If it were to be connected with taking serious steps in the direction of Turkmenistan's building a democratic, secular state of law, it would undoubtedly be even better.

Civil Rights Committee Chief on Citizenship

93L S01314 Ashgabat TURKMENISTAN in Turkmen
19 Aug 92 p 1

[Interview with G. K. Podalinskiy, chairman of Committee for Law, Citizens' Rights and Appeals, by Turkmen Press correspondent. "On Turkmenistan Citizenship And Future Citizens"]

[Text] [Editorial Introduction] Work on the draft of the "Law On Citizenship" in the assembly of Turkmenistan has been completed by now. It is planned that the final variant of this document, which holds second place after the constitution in the juridical ranking system of civil-law states, will be submitted to parliament for its examination in the autumn of this year.

What will it be like?

G. K. Podalinskiy, chairman of the committee on law-making, legislation, legal organization, civil rights and appeals, answered the questions of the Turkmen Press correspondent.

[Question] Gennadiy Konstantinovich, close to two years ago a draft law similar to this was submitted to deputies of Turkmenistan's Supreme Soviet for discussion. Why was it necessary to create a new draft?

[Podalinskiy] One could call it the result of a significant change in circumstances. The law was passed at the first reading. But subsequent events changed the situation from what it had been. I mean the dissolution of the union. Thus, we decided that this question would be resolved through the basic law—the constitution.

[Question] Are there basic differences between the first and second drafts?

[Podalinskiy] Certainly. The first draft was prepared while Turkmenistan was a member of the USSR. And we took guidance from that. In the second variant conditions under which one receives the right to Turkmen citizenship are more precisely defined.

[Question] We ought to clarify this from the beginning: under the later draft, who can become a citizen of Turkmenistan?

[Podalinskiy] At the initial stage this right is given to anyone who knows the fundamentals of the Constitution and lives legally in the territory of the republic. There are some other conditions in the draft—for example, knowing the state language will be a precondition and seven years of permanent residence in Turkmenistan is to be introduced. But since it is in the constitution, it is necessary to understand the law on citizenship and the political-legal documentation because it is intended to be in action for many years. This is its basis. Thus, the point on language and other similar cases will be explained in "one-time" regulations in a special transitional chapter intended for the present situation. For example, I think we should refer to the law

on language in this chapter. Or let us take the permanent residency requirement. This point will be applied some years hence in actual practice. Now, if any citizen of the former USSR living on Turkmenistan's territory wants to, he will be able to become a citizen of Turkmenistan.

[Question] What will happen to the thousands and thousands of our compatriots who were compelled to take foreign citizenship at various times and for various reasons?

[Podalinskiy] The right to take Turkmen citizenship will be preserved for all Turkmens who live in or were born in other countries. As long as dual citizenship does not contravene the laws of their country, their right to citizenship will be preserved.

[Question] How long after passage of the law on citizenship will it enter into force?

[Podalinskiy] Precise timing has still not been decided. Probably the Assembly will issue a special decree on the law's entering into force at the outset. Other than this, it will probably be necessary to prepare new individual identification papers or prepare special stamps for "old" passports. In brief, it is a very complicated issue, but we will work it out.

Decree on Pipeline Construction to Iran, Turkey, Europe

93L S01314 Ashgabat TURKMENISTAN in Turkmen
19 Aug 92 p 1

[Presidential decree, "On Planning And Construction Of Gas Pipeline For Export Of Natural Gas To The Islamic Republic Of Iran, The Republic Of Turkey, European Countries From Turkmenistan"]

[Text] With the goal of fulfilling the paragraph of the agreement on economic cooperation concluded on 10 May 1992 between the Islamic Republic of Iran, the Republic of Kazakhstan, the Republic of Kyrgyzstan, the Pakistan Islamic Republic, the Republic of Turkey, Turkmenistan and the Republic of Uzbekistan on implementing the planning and construction of a gas pipeline assuring the shipment of natural gas from Turkmenistan to the Islamic Republic of Iran, the Republic of Turkey and the countries of Europe, I decree:

1. A coordinating council for preparing and carrying out plans on exporting Turkmen gas to the Islamic Republic of Iran, the Republic of Turkey and the countries of Europe be established.
2. The duty of constructing the gas pipeline be placed on the Turkmengazsenagat State Corporation and that the preparation of technical-economic bases for construction of the gas pipeline be worked out in two months time.
3. Proposals for attracting foreign investments for pipeline construction on the basis of competitive bidding and

on establishing an international consortium for construction and exploitation of the transit pipeline in participation with appropriate organizations of Turkmenistan and investment firms must be submitted in writing to the Cabinet of Ministers of Turkmenistan in one month's time and turned over to the coordinating council for planning and carrying out the project of exporting Turkmen gas to the Islamic Republic of Iran, the Republic of Turkey and the countries of Europe.

4. Proposals noting lightened tax conditions, on bringing materials, equipment, and construction machinery into Turkmenistan duty-free and on taking them out of Turkmenistan, as well as on allocating land parcels for pipeline construction be given in written form in two months time to the Cabinet of Ministers of Turkmenistan and that these be handed over to the State Bank of Turkmenistan, the Turkmenistan State Committee for Foreign Economic Relations, the State Customs Authority of Turkmenistan local state governments and management organs.

[Signed] President of Turkmenistan S. NIYAZOV

Addendum to Decree No. 825 of the President of Turkmenistan of 5 August 1992

Board of the coordinating council for preparing and carrying out the project for the export of Turkmen gas to the Islamic Republic of Iran, the Republic of Turkey and countries of Europe:

N. T. Soyunov, deputy chairman of the Cabinet of Ministers of Turkmenistan (chairman)

Kh. O. Orazmemmedov, chief of Turkmengaz State Corporation (deputy chairman)

M. Kh. Abalakov, first deputy minister of the Turkmenistan Economics and Finance Ministry

V. V. Kopyshchinskii, head of Dasharyyurtnebitgazgurlushyk [Foreign Oil And Gas Construction]

A. G. Asenov, director of the department for oil, gas and geology of the staff of the President of Turkmenistan

C. Gandymov, chairman of the board of the Turkmenistan Shareholders-Commercial Bank

ARMENIA

Creation of National Army Debated

940501124 Yerevan REPUBLIC ARMENIA
in Russian 3 Oct 92 p 2

[Article, published under the heading "Politics—Defense", by Col (Ret) Vazgen Bagdasaryan. "We Need Soldiers, Not Sacrifices"]

[Text] The subject of the need to create our own National Army is on the lips of all Armenians, including reserve and retired commissioned officers and general officers, who are anxious about the fate of Armenia and Artsakh. They grasped before anyone else did and became convinced that today Fedayeen [Armenian freedom-fighter guerrillas] warfare, Fedayeen combat units and Fedayeen tactics cannot achieve adequate success in guaranteeing the security of the people, defense of the territorial integrity and the independence of the republic, that the tactics and the character of modern combat, demanding new assets and new tactics of military confrontation respectively, have changed with the emergence of new means of mass destruction. At the present time Fedayeen detachments are unable to completely carry out those missions which are normally entrusted to regular active-duty troops and are unable to completely replace them. They can only exist in parallel with regular active-duty forces, carrying out their own special functions and missions, as did partisan detachments of the former Soviet Union during World War II. That is, they can carry out commando missions, hitting the enemy with the element of surprise, without engaging numerically-superior regular units. Counting on guerrilla-type warfare is a dangerous trend, which hinders and impedes rapid creation of our own national army. We are not talking about individual Fedayeen nor about separate Fedayeen detachments guarding the borders of Armenia. We are talking about the Fedayeen movement on the whole as a phenomenon as armed units not subordinate to a unified command, and whose efforts are not integrated according to a common plan of operations, objectives, missions, place, and operational timetable.

Most people know that the word "FEDA" is of Persian origin and means VICTIM, while Fedayeen means a person sacrificing himself. Do we need such sacrifice of life? What we need are soldiers who are well trained in military affairs, physically hardened, brave and decisive, imbued with the spirit of freedom, not voluntary sacrifice of life. We must live and win, not simply sacrifice and die.

There are no differences of opinion when discussing the need for creating a national army. Differences arise, however, when addressing the quality and quantity of the armed forces, their possible structure, branches and arms, strategy and tactics. This is a very complex group of issues which require a special qualified scientific approach and analysis. The author of this article drafted

suggestions concerning these questions and submitted them to various official government agencies. It is impossible to cover all these questions in a brief newspaper article. Nevertheless I find it necessary to stress that when creating our own army, we must in the first place determine quantity and kinds of armed forces based on our own capabilities, on the condition of the military-economic potential of the republic, on an assessment of the existing operational situation, rather than on our desire to have a certain number of battalions, regiments, brigades, or divisions.

The history of the art of warfare indicates that the presence of a strong army has not always guaranteed the security of the people or the sovereignty of the state. On the eve of World War II Fascist Germany and Japan were the most powerful militarist states, armed to the teeth. They both, however, suffered crushing defeats. The Soviet Union in turn, prior to that same war, despite its multimillion-man army, was unable to guarantee the security of its own people as well as the inviolability of its borders. Iraq, which had a million-man army which was well-equipped with modern weapons and military technology, was not able to withstand the attack of unified allied forces headed by the United States. We can conclude from this that no matter what the size of its armed forces, no state can guarantee its integrity and independence if that state does not seek and does not find other paths and ways to ensure its sovereignty. We can see an obvious contradiction here: on the one hand it is impossible to guarantee one's sovereignty without the presence of armed forces, while on the other hand even the existence of strong, modern armed forces does not guarantee the sovereignty of the state. It seems to me that under these circumstances we must find a solution by means of other governmental activities, which might be as follows:

- establishment of good-neighbor relations with all countries, entering into treaties with them, as well as agreements of friendship, mutual assistance in the domain of the economy, culture, etc.
- elimination of causes of conflict.
- participation in political and economic organizations which help strengthen the independence of the state.
- choosing a reliable ally, etc.

Nevertheless, despite the existing contradictions, the presence of one's own army is an urgent need, necessitated by the war which has been imposed on us and by the conditions which have developed in the region. But we need more than just armed military units, we need a modern army which is well-equipped with the newest weaponry and military technology, which has modern officer and general officer cadres, who implement their own strategy and tactics. We need small, well-trained mobile units and formations and an efficient command and control system.

A second contradiction appears, on the one hand the need to have modern armed forces, and on the other hand the impossibility of having them, because of the limited nature of our military-economic potential as well

as other influencing factors. In addition to all else, we must look for a way out of this situation also in the mobilization of those unutilized resources which are at the disposal of our nation, including the financial and other means of Armenian business people, both within this country and in the Diaspora. It occurs to us that there are immense untapped resources here. By accurately calculating these resources and by approaching the problem correctly, we can greatly increase the financial means and military-economic potential of the republic. There is a war going on. Consequently everything must be subordinated to the interests of the war. Otherwise we may well lose the war and lose in the course of the brutal struggle all that we possess and are endeavoring to preserve. The war was forced upon us, and we are fighting. The war has its own laws and we must totally and completely obey them.

There are disagreements also in matters dealing with allies. Some believe that Armenia does not need any allies, that it is capable of and in a position to solve its problems on its own. Others believe that allies are needed and favor an Armenian-Persian-Syrian alliance. A third group also believes that it is absolutely necessary to have allies: they strongly advocate an alliance with Russia. Each of these groups should substantiate their position by means of appropriate arguments.

This is not a trivial question. Its correct or incorrect resolution will have a fateful influence on Armenia and Artsakh. Who must give the correct answer to this crucially important question? The government? The Ministry of Defense? Who? Would it not be useful to listen in advance to broad circles of competent specialists, who are abundant in our republic, and to learn their opinion concerning the resolution of important questions such as these? Unquestionably. It would be far better to solve our problems by ourselves, independently. But for that we need unlimited power and means, which unfortunately we do not possess. And the fact is that even great powers, possessing such resources, could not do without allies in the past and cannot today as well.

One of the reasons for the slow creation of a national army in my opinion lies in the fact that the considerable potential represented by retired and reserve officer cadres, who would like very much to be of use in the defense of their homeland, is not being aggressively utilized. As I see it, in order to enlist this category of officers into the process of creating and strengthening the armed forces of Armenia, it would make sense to create at the governmental level a certifying committee, the membership of which should include experienced, highly qualified officers and general officers, with the job of certifying officers and general officers in the reserve and in retirement who wish on a voluntary basis to extend assistance in the formation of the national army.

There is an urgent need for the Ministry of Defense to have its own special publications, which would publish timely materials written by specialists, concerning important military matters.

In our opinion, if even a small part of the ideas and suggestions presented above were implemented, this would be beneficial in helping strengthen the defense capability of the republic.

Minister on Response to New Education Law

93US0198A Yerevan DPRUT'YUN in Armenian
8 Oct 92 p 1

[Article, reprinted from 3 Oct 92 HAYASTANI HANR-APETUT'YUN, by Republic of Armenia Minister of Education Hayk Ghazaryan: "Armenian Children Must Receive an Armenian Education in Armenian Schools"]

[Text] During my first few months in office as Minister of Education, I got involved with a number of problems of varying importance and complexity, a number of which, at least for me, were totally unexpected and quite a surprise, while I was prepared for others, for which I had a precise opinion and position. Among the latter was the question dealing with the language of instruction in Armenia's schools, which had received a final resolution (or at least it seemed so) by the 20 July 1992 decision of the Presidium of the Supreme Council of the Republic of Armenia. According to that decision, within the Republic of Armenia all children of Armenian nationality must receive their education in Armenian at republic secondary schools.

The decision was received with joy and satisfaction by the majority of the people, and especially by those who for years had carried the burden of worry over the persecution and the deliberate policy of Russification carried out by the Soviet system against the Armenian language and Armenian culture.

This decision was very natural and expected, especially since such a system is accepted throughout the entire civilized world; and it seems that it would have been very unlikely that any objections (at least voiced ones) would have been made. It was expected that there would be internal dissatisfaction by those who patently benefited by Russification, but it was expected that those persons would be courageous enough to refrain from openly voicing complaints, if only for feelings of morality and justice.

Unfortunately, however, there were both written and voiced complaints—with voluntary and nationalistic manifestations—reminding us of human rights, of being emotionally unprepared for that decision, of the internationalist character of the Armenian people, with the striving to go forward in step with the civilized world, the fact of existence of Armenian schools in many countries of the world, etc. forgetting that no country in the civilized world has established general-curriculum schools to educate their nation's children in someone else's language; that in Moscow where, for example, there are more Armenians living than there are Russians in Armenia, there does not exist even one Armenian school; that in Armenian schools which exist outside of Armenia, those teaching the Armenian language classes

are paid not by the finances of that country but by the local Armenian Diaspora community or by some philanthropist, etc.

Fortunately the wave of protest has gradually died down, and in this school year, among the parents of Armenian children there were only a handful who wished to send their children to classes with instruction in Russian. Unfortunately, however, the same thing cannot be said about a certain number of those who had emigrated to Armenia from Azerbaijan, especially (and almost exclusively) from Baku who, after living in Armenia for 3-4 years, stated as if with pride that their child (and more frequently, grandchild) "does not know one single word of Armenian."

The people at the Ministry of Education patiently and tactfully endeavored to persuade these complainants of the illegality and inappropriateness of their demand, while in certain cases (as in the case of mixed marriages or of persons who had just recently moved to Armenia), permission was granted to attend a Russian transition class for a period of one year.

While on the whole the arguments of the refugees did not stand up to criticism, at times their complaints were completely justified, specifically regarding the way language was being taught last year in the transition classes to switch from Russian to Armenian. As many were justifiably complaining, in many cases those transition classes were the most common Russian classes, where often the teachers themselves did not possess a mastery of Armenian, where no additional work was being done with the children and, as a result, the children remained on the same level as the previous year as regards their knowledge of Armenian.

In order to find a solution to this disturbing problem, an expanded session of the collegium was called by the Ministry of Education, in which all principals of schools that had Russian divisions were invited to participate, as well as the heads of the department of public education of the various rayons, officials of public organizations and representatives of the press, plus other interested persons. Examining the results of preliminary studies in this area, the collegium decided to permit (rather, to oblige), in schools that have classes which have been changed from Russian to Armenian, the forming of extended-day groups, using both local teachers as well as the capabilities of organizations and other dedicated persons to help pupils in those classes to prepare their day's homework in Armenian and to help in other ways to become accustomed to Armenian. It was also decided strictly to monitor implementation of that decision, by periodically being on the spot and, if needed, by lending a helping hand.

We would like to believe that this decision will be implemented, that it will produce the desired results, and that Russian classes or schools operating in the Republic

of Armenia will serve only Russian children and children of foreign nationality who desire to receive school instruction in Russian.

Our point of view where this question is concerned remains firm: in the Republic of Armenia conditions must be created to receive an education in one's native language, for each member of an ethnic minority, everything possible must be done to improve teaching of foreign (including Russian) languages, while Armenian children must be instructed in Armenian.

Concern Voiced Over 'Brain Drain'

93US0198B Yerevan AZG in Armenian 8 Oct 92 p 3

[Unattributed brief: "Our Main Task is to Prevent a 'Brain Drain'"]

[Text] The administrative director of the Goods and Raw Materials Exchange of Armenia, Stanislav Babayan, stated to a NOYYAN TAPAN correspondent that in the near future the exchange will be setting up a Hayintelektservis Corporation. Fadye Sargsyan is the corporation president, and Candidate of Technical Sciences Samvel Ananyan is its executive director. The purpose of this organization is to place the Armenian technical intelligentsia in jobs abroad, a large number of whom have been left jobless because of the demilitarization of industry. Hayintelektservis establishes contact with foreign companies through university scientific centers (that contact mainly is carried out through the Diaspora). Establishment of commercial enterprises and programs is anticipated. Thus the function of this organization is to facilitate a "brain drain" toward the West. 70 years of totalitarian system have left a legacy of considerable unutilized intellectual potential.

There have been concrete attempts to resolve this issue, but the desired results have not been achieved. For this reason the exchange felt that the creation of such an organization was an advisable move.

Critical Socioeconomic Situation Reviewed

93US0225A Moscow NEZAVISIMAYA GAZETA in Russian 11 Dec 92 p 3

[Article by Piana Minasyan in the "Armenia" column: "Armenia Faces the Threat of a Catastrophe—There Is Not Enough Grain or Fuel"]

[Text] The president of Armenia, who was forced at a critical moment to declare the republic a disaster area, having appealed to the UN, to the world's leaders, and to the heads of the CIS countries, admitted that "a catastrophe will occur this winter in the event of a failure in attempts to open up one to two humanitarian corridors on the part of Turkey and, if possible, Georgia."

According to the findings of the supreme UN commission on refugee problems of 14 October 1992, the severe crisis in the economy of the republic was the result of the

blockade of Armenia, which de facto is being conducted on the part of Azerbaijan-Nakhichevan, Turkey (according to an intergovernmental agreement, only grain is being delivered by the Turkish railroad), and recently of Georgia also. In connection with this, the Armenian Government also submitted a request concerning "immediate, long-term, and effective humanitarian assistance," suggesting that if emergency measures are not adopted for the delivery to the republic of fuel, grain, food products, and medicines—the minimum that is needed in order to survive the winter, the worst predictions by various commissions will become a reality.

The country consumes 1,100 tonnes of grain daily (its own production provides only 30 percent of it), 150 tonnes of gasoline and 12 million cubic meters of natural gas—the minimum that is necessary for the life support of the republic. Only the gas pipeline that goes through the territory of Georgia is operating now and, according to the data of the Ministry of Industry of Armenia, Georgia appropriates 70 percent of the gas that is intended for Armenia for itself. The visit to Tbilisi of Sepukh Tashchyan, state minister of Armenia, did not change this situation. The rest of the gas is distributed between Yerevan and the area that suffered from the earthquake. Since 14 August, black oil does not get here at all.

The main problem is that the negotiations with Azerbaijan on lifting the blockade of communications under conditions of the continuing Karabakh conflict, even given various kinds of foreign mediation, did not bring success (despite the fact that Nakhichevan also suffers from the blockade, but this fact can be viewed in Baku as one more method of bringing the autocratic Geydar Aliyev to his senses).

Outwardly, Armenia's relations with Georgia are quite successful (at least, the authorities of both states are trying with all their power to avoid any tension, and they do not advertise existing problems). It is another matter that Georgia, on whose territory a majority of the communications also turned out to be blockaded because of military operations, keeps a large part of the transit freight in the republic, paying Armenia, for example, the monetary equivalent. This practice, which was started under Gamsakhurdia ("Georgia is not a traffic passageway") is still continued now, but already without any special ideological bases. It simply is difficult, as it turned out, to force a hungry person to guard a freight car with foodstuffs.

Official representatives of Yerevan were compelled to realize one more not very comforting fact: Authority in Georgia is a certain phenomenon. In any case, instructions on the part of high authoritative representatives on the introduction of order and control make a poor impression not only on members of the armed mafia gangs that, as a rule, operate as unofficial customs, requisitioning private cargo on roadways in the area of the Armenian-Georgian border, but also on the local authorities and law enforcement organs. In any event,

Armenian delegations were compelled to conduct unofficial negotiations with them.

But official Tbilisi was confronted with the requirement on the part of the leadership of Azerbaijan, which agreed to deliver fuel to Georgia only on condition that it would not end up in Armenia under any circumstances. In the words of Armenian Prime Minister Khosrov Arutunyan, in violation of international norms, Azerbaijan is also endeavoring to drag neutral Georgia into the conflict by means of economic blackmail, in order to force it to refuse the transit of cargo for Armenia through its territory. In a meeting with ambassadors accredited to Armenia, he asked the governments of their countries to take measures to compel Azerbaijan to reject a policy that is capable of leading to an uncontrollable situation in the region.

The problem is that even if many states treat Armenia's request favorably, the problem of communications for the delivery of humanitarian assistance will have to be resolved not in Armenia itself, but beyond its borders, on the territory of neighboring states. Similar acts on lifting the blockade of railroads and gas pipelines were not successfully resolved even when these territories were a part of the USSR. Who will be able to insure the functioning of humanitarian corridors—international organizations, CIS structures (whose members are neither Georgia, nor Azerbaijan), or Armenia itself—and with what means? Possibly, the question will be resolved through joint efforts with Armenia, if the opportunity will be granted for militarized guards of both countries to escort cargo.

GEORGIA

Provisional Regulations of Parliament Issued

*AU2312060192 Tbilisi SVOBODNAYA GRUZIYA
in Russian 26 Nov 92 p 4*

["Provisional Regulations of the Georgian Parliament"]

[Text]

CHAPTER I

The First Session of the Newly Elected Parliament

Article 1

The first session of the newly elected Parliament is opened and conducted by the temporary chairman of the session who has been elected by 20 of the most senior members of Parliament from among the members of Parliament.

Article 2

At the first session of the newly elected Parliament a vote-counting [schetnaya] commission made up of 11 deputies is to be elected by a majority of deputies for the

duration of the work of one session. The commission's members elect the chairman, deputy chairman, and secretary of the commission.

Article 3

The Vote-Counting Commission counts the votes in an open (by a show of hands) vote and in a secret ballot using ballot sheets, organizes the preparation and distribution of ballot sheets in a secret ballot or roll-call vote, and follows the voting procedure with the use of an electronic system.

Article 4

Until the powers of the deputies have been recognized by an open vote, Parliament elects from among the deputies by a majority of the registered [iz spisochnoy sostavy] deputies a provisional credentials commission made up of a chairman and 16 members.

Article 5

The Credentials Commission checks that the chairman of Parliament has been elected according to the correct procedure, examines complaints and statements concerning the violation of the Statute on the Elections, and delivers the appropriate conclusion.

Article 6

The chairman of the Credentials Commission reports to Parliament on the results of the check carried out to see that the chairman of Parliament has been elected according to the correct procedure and the examination of complaints and statements, after which Parliament adopts a decree on the recognition of the powers of the elected chairman of Parliament, and, in the event of a gross violation of electoral legislation, a decree on the recognition of the election as invalid.

Article 7

After recognition of the powers of the chairman of Parliament, the chairman of Parliament directs the work of Parliament. He gives the floor to the chairman of the Credentials Commission who, on the basis of the protocols of the elections, reports to Parliament on the results of the check carried out to see that the deputies have been elected according to the correct procedure and the examination of complaints and statements, after which Parliament adopts a decree on the powers of the elected deputies and, in the event of a gross violation of electoral legislation, a decree on the recognition of the elections as invalid.

Article 8

Parliament implements its mandate if no less than two-thirds of the total number of deputies have been elected.

CHAPTER II

Article 9

Parliament, at its discretion, assembles twice a year—for sessions in the spring and fall.

The work of the spring session begins on the first Tuesday in February and continues until July.

The fall session begins on the second Tuesday in September and continues until 23 December.

Article 10

An extraordinary session or extraordinary meeting is convened by the chairman of Parliament-head of state and, in the event of his resignation, inability to implement his powers, or dismissal from his post, by the speaker of Parliament on his own initiative, at the written request of no less than one-fifth of the total number of members of Parliament, and also at the suggestion of the supreme representative body of an autonomous republic within three days of the submission of the request.

Article 11

A session of Parliament is made up of plenary meetings, meetings of commissions, and meetings set aside for inquiries.

Plenary meetings are held on Tuesdays and Thursdays, meetings of standing and provisional commissions on Mondays and Wednesdays, and the meeting set aside for inquiries on Friday.

Article 12

The working day of Parliament begins at 1000 and ends at 1800. There is a break after every one and one-half hours of work. The main break is between 1300 and 1500. At the request of a parliamentary faction, there is a short break before voting. When necessary, Parliament introduces changes to the work schedule.

Article 13

A meeting of Parliament can be held if there are more than one-half of the total number of deputies present. Before each meeting and vote, those deputies present at the session are registered.

Article 14

The work plans and agenda of Parliament are examined by a parliamentary board and are approved by Parliament on the proposal of the chairman of the meeting.

A deputy has the right to request that changes and additions be introduced into the proposed agenda. A proposal is considered to be adopted if it is supported by the majority of the deputies.

Article 15

A meeting of Parliament is conducted in public; accredited journalists attend the meetings; a stenographer's report of parliamentary sessions is published; a parliamentary gazette is published; sessions are televised.

Closed sessions of Parliament are conducted on the decision of Parliament. The circle of persons attending closed sessions is determined by Parliament.

The chairman of the Central Electoral Commission, the members of the Cabinet of Ministers, the chairman of the Supreme Court, the chairman of the Supreme Court of Arbitration, the procurator general, the chairman of the Chamber of Control, the president of the National Bank, and the chairman of the Committee for Socioeconomic Information are empowered to attend meetings of Parliament. At the request of the head of state, the speaker of Parliament, the Cabinet of Ministers, no less than one parliamentary commission, a parliamentary faction, the supreme representative body of an autonomous republic, and a group of members of Parliament comprising no less than 10 persons, Parliament can adopt a decision on the holding of a closed session.

Article 16

The official language of Parliament is Georgian.

If a deputy is unable to speak in Georgian, he has the right to speak in another language, in which case he must notify the chairman of the meeting or the secretariat in advance in order to ensure a translation of the text into Georgian. A deputy has the right to speak in Abkhazian without giving any notification.

Article 17

A deputy is granted up to 30 minutes to deliver his report, no more than 15 minutes for a supporting report, and up to five minutes for his concluding remarks.

Deputies and other persons are granted up to 10 minutes when taking part in debates for the first time and up to five minutes for the second time.

Deputies are granted up to three minutes for making statements connected with the procedure according to which the meeting is conducted and reasons for the vote and for raising inquiries and questions.

The chairman of the meeting can, with the agreement of the majority of deputies, extend the time allocated to a speaker.

Article 18

The order of speaking in debates is established by the chairman of the meeting of Parliament on the basis of materials presented by the parliamentary secretariat. In so doing, he must see to it that the debates are conducted in a constructive and purposive manner and must take

into account the relations between various party trends and factions and to grant the floor to sides holding opposing views.

Article 19

A deputy may speak only twice on the same question.

Article 20

If a person participating in a debate, after having received a warning, continues to abuse his right to speak or use rude and improper expressions, advocates violence and unconstitutional actions, exceeds his time limit, or does not speak in connection with the question under examination, the chairman of the meeting can deprive him of his right to speak, disconnect the microphone or, with the agreement of the majority of the total number of members of Parliament, demand that he leave the hall.

Article 21

Before termination of the debate, the chairman of the meeting informs the deputies of the number of persons remaining who wish to speak in the debate. The debate is terminated on the decision of Parliament.

If, in view of the termination of a debate, a deputy is not given the opportunity to speak at the meeting, the text of his speech should be included in the stenographer's report of the meeting at the deputy's request.

Article 22

Voting in Parliament can be open (by a show of hands), secret, and by roll-call (with the use of an electronic system or ballot sheets).

A roll-call vote is conducted on the decision of Parliament or at the written request of a parliamentary faction or one-tenth of the total number of members of Parliament.

The voting procedure is established by Parliament except in those instances when the voting procedure is regulated by law.

In the case of a secret ballot using ballot sheets, the Vote-Counting Commission determines the time, place of voting, and the form of the ballot sheet.

The completion of ballot sheets is conducted in rooms or booths equipped for secret ballots.

When completing the ballot sheet, the deputy must cross out the name of the unwanted candidate (names of candidates) and leave the name of the candidate whom he supports. If the ballot sheet bears the name of only one candidate, the deputy votes for him by circling the given name or the number preceding the name. A ballot sheet completed in any other way is recognized as invalid.

CHAPTER III

Officials and Organs of the Georgian Parliament

Article 23

The officials and organs of the Georgian Parliament are:

The chairman of the Georgian Parliament;

the speaker of the Georgian Parliament-first deputy chairman of Parliament;

deputy chairman of the Georgian Parliament;

chairmen of the commissions of the Georgian Parliament and the head of the secretariat;

the board of the Georgian Parliament;

the commissions of the Georgian Parliament and the parliamentary secretariat.

Article 24

The chairman of Parliament-head of state summons regular and extraordinary meetings and sessions of Parliament and, if he considers it necessary, chairs meetings of Parliament during the examination of questions provided for by law and meetings of Parliament on other occasions on the decision of Parliament; he is empowered to participate in the work of Parliament at any time without giving prior notification and to participate in debates out of turn; he signs and promulgates laws; he is empowered to return a bill to Parliament with his comments within 10 days to be examined and voted upon a second time. If Parliament, following the same procedure according to which it adopted the law, ratifies its decision, the chairman of Parliament signs the law.

Article 25

The speaker of the Georgian Parliament opens and closes meetings of Parliament, directs the examination of questions, grants the floor to speakers, submits a question to the vote, and announces the results of voting. He has the right to suspend a meeting and announce a special break.

Article 26

The speaker coordinates the work of the parliamentary commissions, hands over to them bills received, and accepts questions prepared by a commission and introduces them at a plenary meeting.

Article 27

The speaker of Parliament signs correspondence proceeding from Parliament in coordination with the chairman of Parliament.

Article 28

The speaker of Parliament is elected by the Parliament of Georgia from among the deputies for the period of Parliament's mandate by a majority of its registered members by secret ballot.

The chairman of Parliament, a parliamentary faction and a member of Parliament have the right to nominate a candidate for the post of speaker.

Article 29

After candidates have been proposed, the chairman of Parliament reads out the list of candidates and asks if they consent to be candidates for the post of speaker. A candidate has the right to withdraw his candidature without any explanation.

Article 30

Elections for the post of speaker are considered to have taken place if two-thirds of the registered members of Parliament have participated in the ballot. A candidate is considered to be elected if he has received the support of more than half of the registered deputies.

If one candidate participated in the elections and he was not elected, second elections are held according to the procedure stipulated in Articles 28-30 of these Regulations.

If two or more candidates have participated in the elections and no winner has been declared, second elections are held. If there were more than two candidates, the deputies vote for the two candidates who received the most votes.

The candidate who has received the most votes after the second ballot is considered as elected.

In the event of a split vote, the chairman of Parliament has the deciding vote.

Article 31

The speaker of Parliament can be recalled by Parliament at any time.

The question of recall is put to the vote if this is demanded by the chairman of Parliament, a parliamentary faction, or a group of deputies made up of no less than 20 persons.

The speaker of Parliament is considered to be recalled and must resign if, following a secret ballot, more than half of the registered deputies support the motion for his recall.

In the event of the early termination of the powers of the speaker of Parliament, his duties are fulfilled by one of the deputy speakers on the decision of Parliament.

In the event of the early termination of the powers of the speaker of Parliament, Parliament elects a speaker of Parliament within 10 days.

Article 32

Each deputy speaker of Parliament is elected separately.

The chairman of Parliament, a parliamentary faction, and a member of Parliament have the right to nominate a deputy speaker.

Elections are held according to the procedure stipulated in Articles 22 and 30 of these Regulations.

The procedure for the recall of the deputy speakers of Parliament is the same as that established for the speaker of Parliament.

Article 33

In the event that the head of the supreme organ of state power of an autonomous republic is not elected as a member of the Georgian Parliament, the deputy chairman of the Georgian Parliament is elected by the Georgian Parliament for the period of Parliament's mandate on the basis of a proposal made by members of Parliament elected from the autonomous republic from among their members.

The deputy chairman of the Georgian Parliament can be recalled by Parliament at any time if he was elected by Parliament.

The question of recall is put to the vote if this is demanded by the chairman of Parliament or a group of deputies from the corresponding autonomous republic in Parliament consisting of no less than three persons.

The procedure for the election and recall of the deputy chairman of Parliament is the same as that established for the speaker of Parliament.

Article 34

The chairmen of the parliamentary commissions and the head of the parliamentary secretariat are elected by the Georgian Parliament from among the deputies for the period of Parliament's mandate by a majority of its registered members by secret ballot.

Following the nomination of candidates, the chairman of the meeting of Parliament reads out the list of candidates and asks if they consent to stand for election. A candidate has the right to withdraw his candidacy without any explanation.

Elections are held according to the procedure stipulated in Articles 22 and 30 of these Regulations.

In the event of a split vote, the speaker of Parliament has the deciding vote.

The procedure for the recall of the chairman of a parliamentary commission and the head of the parliamentary secretariat is the same as that established for the speaker of Parliament.

Article 35

The deputy chairman of a parliamentary commission, the commission secretary, and the deputy head of the parliamentary secretariat are elected by the corresponding parliamentary commission and the parliamentary secretariat.

They may be reelected by means of a secret ballot by a majority of votes of the total number of members of the corresponding parliamentary commission (the parliamentary secretariat).

Article 36

A decision on a procedural question not stipulated in the Regulations is adopted by Parliament.

Article 37

In accordance with its tasks and in order to work on bills, carry out the preliminary preparation of questions relating to the jurisdiction of Parliament, coordinate the implementation of laws and other decisions adopted by Parliament, and control the activities of state bodies and organizations, the Georgian Parliament forms a secretariat and the following parliamentary commissions:

The Commission for Credentials and Deputies' Ethics and Privileges;

the Commission for Foreign Affairs;

the Commission for Defense and National Security;

the Juridical Commission;

the Commission for Economic Questions;

the Finance and Budget Commission;

the Commission for the Protection of the Environment and Natural Resources;

the Commission for the Reform of Central and Local Organs of Power and Administration;

the Commission for Education and Science;

the Cultural Commission;

the Commission for Health Protection;

the Agrarian Commission;

the Commission for Industry, Construction, Power Engineering, Transportation, Communications, and Municipal Services;

the Commission for the Protection of Human Rights and the Affairs of National Minorities;

the Commission for Social Questions,

the Commission for the Protection of Law and Order,

the Commission for Sport and Tourism

The Georgian Parliament can, within the period of its mandate, form new standing commissions, abolish existing ones, and introduce changes to the composition of the commissions

On the proposal of a standing commission and the decision of Parliament, subcommissions may be formed within the standing commissions

Article 38

A parliamentary commission has the right, on matters under its jurisdiction, to listen to the heads of the Cabinet of Ministers, rayon and city boards, Republic of Georgia ministries, and other state bodies and organizations

On the suggestion of a commission, the heads and representatives of the aforementioned bodies and organizations are obliged to appear at a meeting of the commission and present explanations on questions under examination by the commission

A parliamentary commission has the right, with regard to questions under its jurisdiction, to demand that state bodies and organizations and officials present documents, written conclusions, data in the form of reports, and other necessary materials. It is compulsory to fulfill this demand

Article 39

A standing commission is made up of 10-20 elected deputies. A deputy, as a rule, can be a member of only one standing commission

The composition of a commission, as a rule, is determined in proportion to the existing factions in Parliament and the number of independent deputies. When necessary, invited specialists participate in the work of the commission

Article 40

A meeting of a commission is summoned by the chairman. The commission elects the deputy chairman and secretary of the commission

A commission is empowered to adopt a decision if more than half of the commission's members are present at the meeting

Article 41

Meetings of a commission, as a rule, are held in public. Members of Parliament who are not members of the given commission have the right to attend a meeting in an advisory capacity only.

Members of the Republic of Georgia Cabinet of Ministers have the right to attend the meetings of the commissions

Article 42

At the meetings of Parliament, the parliamentary secretariat records the statements and proposals of the participants in the meetings and the decisions of Parliament

The head of the parliamentary secretariat and the chief of the apparatus of Parliament are responsible for ensuring that the final document corresponds with the decision of Parliament

Article 43

In accordance with general political or other interests, deputies can unite and form parliamentary factions

Article 44

In order to legalize and register a parliamentary faction, deputies apply in writing to the chairman of Parliament

The application should contain the platform on whose basis the parliamentary faction is being formed and its name, chairman, and list of members. The application is signed by the members of the faction

Article 45

It is impermissible to legalize and register as a parliamentary faction those groups that, according to their platform, have as their aim the forcible overthrow of the authorities, the fomenting of national strife, and the disregard of universally recognized norms and principles pertaining to human rights and freedoms

Article 46

The list of parliamentary factions with the main tenets of their platforms are published in Parliament's press organ

Article 47

A member of Parliament can belong to only one parliamentary faction

Article 48

A specific place is designated in the hall for a parliamentary faction. The appropriate conditions of work should be created for each parliamentary faction, which includes their being guaranteed the necessary financial provision

Article 49

A parliamentary faction is empowered

a) through its representatives, to participate in the work of the parliamentary commissions and the parliamentary board,

- b) demand the formation of a temporary commission of investigation;
- c) demand that a roll-call vote be held;
- d) publish its point of view in Parliament's press organ.

Article 50

In order to implement the right of legislative initiative, a bill should be submitted to Parliament.

It is impermissible to submit the same bill twice for examination at one session.

Article 51

Parliament has the right to receive for examination according to the established procedure legislative proposals that have been prepared and submitted to the corresponding parliamentary organ by subjects who do not have the right of legislative initiative.

Article 52

A bill presented to Parliament according to [the right of] legislative initiative is first given to the board and then to a commission for examination and a plenary meeting of Parliament for its first hearing.

Article 53

The examination of a bill begins with an examination of its general principles. A bill is examined in its entirety and, when necessary, each chapter, section, and article separately.

After it has been examined, a vote is taken on the adoption of the bill at its first hearing. In the event of the adoption of the bill at its first hearing, it is given to the corresponding commission or commissions with comments.

Article 54

After it has been examined in the commissions, a second hearing of the bill takes place at a meeting of Parliament. The bill is examined in its entirety and, when necessary, each chapter, section, and article separately.

Article 55

- If a bill is examined in parts, a vote is taken on each part.
- hold a ballot on the adoption of the bill;
- defer adoption of the bill;
- return the bill to the commission or commissions for further examination;
- without voting on the bill, examine the next question on the agenda, which means the bill has been rejected.

Article 56

A law is considered adopted if it is supported by a majority of the registered deputies. In order to adopt a constitutional law, the consent of two-thirds of the registered deputies is necessary.

Article 57

Parliament has the right to establish a simplified procedure for the adoption of a law.

Article 58

The chairman of the Republic of Georgia Supreme Court, his deputies and members of the Supreme Court, the chairman of the Republic of Georgia Supreme Court of Arbitration, his deputies and members of the Supreme Court of Arbitration are elected by Parliament by secret ballot by a majority of the registered deputies.

The prime minister of the Republic of Georgia, the procurator general, the head of the Information and Intelligence Service, the chairman of the Chamber of Control, the president of the National Bank, and the chairman of the Republic of Georgia Committee for Socioeconomic Information are appointed by Parliament by secret ballot by a majority of the registered deputies.

The deputy prime ministers of the Republic of Georgia, members of the Cabinet of Ministers, the Presidium of the Supreme Court, the Supreme Court of Arbitration, and the Chamber of Control, the boards of the republic's Procurator's Office, the Information and Intelligence Service, the Committee for Socioeconomic Information and the National Bank of the Republic of Georgia are approved by Parliament by secret ballot by a majority of the registered deputies.

Article 59

If the right to nominate a candidate or the composition of a body by law belongs to an official and Parliament has not supported his submission, this official submits the corresponding proposal a second time. The same candidate (composition of a body) can be submitted only twice.

Article 60

A parliamentary faction and a deputy have the right to address an inquiry, either in writing or orally, to the prime minister, ministers, or other members of the Cabinet of Ministers.

Each person to whom an inquiry has been addressed is obliged to reply within 10 days. The form of reply should be indicated in the inquiry.

Article 61

A written inquiry is submitted by the deputy or representative of the parliamentary faction to the secretariat, which registers it in a special journal.

The secretariat makes four copies of the inquiry and within 24 hours gives one copy each to the chairman of Parliament, the speaker of Parliament, the prime minister, and the member of the Cabinet of Ministers to whom the inquiry has been addressed.

In the period between sessions, the recording of inquiries and their presentation to the appropriate bodies and officials is carried out by the apparatus of Parliament.

Article 62

Parliament sets aside a special day for inquiries—Friday. In special cases, on the basis of written consent bearing the signatures of the chairman of Parliament, the speaker of Parliament, and 50 deputies, an emergency urgent examination is held.

CHAPTER IV

The Institute of Democratic Construction [democraticeskogo sozidanaya] and Political Science of the Georgian Parliament.

Article 63

The Institute of Democratic Construction and Political Science functions within the Georgian Parliament, whose main aim is to study the national and political history of Georgia and the theory and practice of parliamentarism and to provide Parliament with scientific materials.

Article 64

The director of the Institute of Democratic Construction and Political Science of the Georgian Parliament is elected by Parliament.

CHAPTER V

The Research Service of the Georgian Parliament

Article 65

A parliamentary research service functions within the Georgian Parliament in order to provide parliament with information and research data. This service investigates proposals aimed at improving legislation, presents the commissions and members and employees of Parliament with the necessary information and expert conclusions.

Article 66

The head of Parliament's research service is elected by Parliament.

CHAPTER VI

Article 67

The apparatus of Parliament provides members of Parliament, parliamentary factions and commissions with professional, organizational, and technical assistance.

On the suggestion of the speaker of Parliament, Parliament determines the apparatus's structure and budget.

Article 68

Personnel problems relating to the apparatus are resolved by the speaker of Parliament.

Article 69

Terms used in the Regulations should be understood as follows:

"a resolution of the question according to a decision of Parliament"—the adoption of a decision by a majority of deputies.

"the majority of the members (deputies) of Parliament"—as more than half of those participating in the ballot.

"the majority of registered deputies"—as more than half of the elected and competent deputies at the time of the given ballot.

"the total number of members (deputies) of Parliament"—as the total number of deputies stipulated in the Statute on the Georgian Parliamentary Elections, that is to say, 235.

Conflict Viewed from Abkhazian, Ossetian Perspectives

Editorial Introduction

93L SO2064 Moscow *LITERATURNAYA GAZETA* in Russian No. 50, 9 Dec. 92, p. 11.

[Editorial introduction to a set of articles on the Georgian-Abkhazian and Georgian-Ossetian conflict.]

[Text] An article by V. Shariya and an interview with O. Tezyev, which are published on this page, reflect the Abkhazian and South Ossetian points of views on the conflict with Georgia. It appears to us that the positions of the authors of both items are outlined in a quite detailed and, in a way, well-argued manner. Nonetheless, we understand that the Georgian side certainly has a different view of the current situation in the region, and are prepared to provide space in *LITERATURNAYA GAZETA* for "the view from Tbilisi" to be outlined.

Abkhazian Viewpoint Outlined

93L SO2068 Moscow *LITERATURNAYA GAZETA* in Russian No. 50, 9 Dec. 92, p. 11.

[Article by Vitaliy Shariya, journalist with the newspaper *REPUBLIKA ABKHAZIYA*, "Abkhazia Is Abkhazia".]

[Text] One of the first journalists from Moscow to visit here since the beginning of the Abkhazian-Georgian armed conflict told me: "I have visited the Dniester region, South Ossetia, and Karabakh, and have thus seen enough destruction and death. However, the thought of a

war in Abkhazia is particularly painful to me—as if they were shooting it out in a house full of artifacts. . . . I could not fail to appreciate his feelings, although his words, in a way, reminded me of the well-known observation that “it is better to select another country for a socialist experiment, one you will not be sorry for” (actually, is there one we will not be sorry for?). Indeed, millions of our former countrymen, for whom the place names of Abkhazia—Pitsunda and Gagra, Lake Ritsa and Novyy Afon—usually brought back sweet vacation memories, had very great difficulty imagining that one day, these names would begin to be referred to in combat reports.

Four months after the introduction of the troops of the State Council to Abkhazia and the beginning of the war, the territory of the republic is still cut in two by the front line along the Gumista river, to the west of Sukhumi, the capital of Abkhazia (Abkhazian forces also control the mining city of Tkvarcheli in the eastern section, as well as the villages of Ochamechirskiy Rayon, which have been drawn into a guerrilla movement). The Supreme Soviet of Abkhazia continues to operate in the rayon center of Gudauta. This is where the newspapers of the Supreme Soviet of Abkhazia, in the Abkhazian and Russian languages, are published. I work for one of these.

REPUBLIKA ABKHAZIYA

Obviously, the evaluations of the nature of this war by the parties to the conflict are diametrically opposed. From the point of view of Abkhazians, a popular war of liberation is under way against an aggressor who invaded the territory of the sovereign Republic of Abkhazia on 14 August, whereas in Tbilisi, they will tell you that on that date, a mere redeployment of Georgian troops on the territory of Georgia took place, and even the word “introduction [of troops]” is improper in this instance (as E. Shevardnadze put it on the TV program “Red Square.” After all, if Russian troops were brought to North Ossetia, would it really amount to introducing them there?), and that Georgians are fighting Abkhazian separatists for their motherland, a united and indivisible Georgia, against which, on top of that, aggression has been mounted by North Caucasus detachments which have invaded its territory.

There is really enough to make the head of the unwary reader spin. So, who is the aggressor, who attacked whom? For now, let us put aside a comparison of the arguments of both parties, and try to turn to the opinion of the Russian and international public as an arbiter, to the form of this opinion reflected in the mass media. Unfortunately, extraneous factors influence such assessments too often.

The image of Eduard Shevardnadze as a “democrat” and a “progressive,” both in Russia and in the West, is one such factor. This image, along with the personal connections of the Georgian leader, certainly was not unimportant in the principle of the self-determination of nations being relegated to a secondary status in this instance, whereas in the “Yugoslav” case, this principle has been a priority for the world community. They not only failed

to impose economic sanctions against Georgia, as they did against Serbia, but the UN also responded quite sympathetically to a “complaint” lodged by Shevardnadze with this organization. Well, we may understand both the West and Russia, who support Shevardnadze as an alternative to the unpredictable Gamsakhurdia. After all, there is a reason that someone thought up the joke that Shevardnadze, rather than Georgia, was admitted to the UN after persistent appeals.

Many Russian publications which unambiguously represent the democratic community came out in support of the Ossetians at the height of a war in South Ossetia (during the reign of Gamsakhurdia). However, after the introduction of the troops of the State Council of Georgia to Abkhazia, they preferred to take a neutral, cautious position; at any rate, they tried to “spare” Shevardnadze—after all, he was “one of our own.”

As far as the Russian mass media representing the conservative and national-patriotic community are concerned, they unanimously supported the Abkhazian side. Was it not primarily because, to them, Shevardnadze is a man who, while one of the supreme leaders of the USSR, was in the camp of their ideological adversaries and actively “broke up the Soviet Union,” and Georgia was one of the former Union republics in which the centrifugal forces which facilitated this breakup were the strongest? Of course, this approach will not be satisfactory to any thinking reader. Besides, the fact that representatives of the national-patriotic community are driven by an opportunity to proclaim their ideas yet again, rather than a concern for the future of Abkhazia, shines through very clearly in some of their writings.

In general, there is no dearth of appeals to “our own interests” and to a group consciousness in which Abkhazia is relegated to the function of an argument. Thus, the American political scientist Dmitri Simes, speaking on TV, rebuked Russian parliamentarians for their 25 September decisions in favor of Abkhazia, because, he said, they encourage the growth of separatist sentiments within Russia itself (incidentally, as these decisions were being made, both the “right” and the “left” in the Supreme Soviet were of the same mind). Military Chaplain of the Cossack Host of the Kuban Valentin Golikovskiy stated in an interview to *NI ZAVISIMAYA GAZETA*: “Having risen to the defense of Abkhazians, many Cossacks have taken an improper position, after all, ‘Georgians, like us, are a people of Orthodox believers, whereas most Abkhazians are Muslim.’ In both cases, arguments are quite shaky in and of themselves, to say the least. It is no secret that it was precisely the rapprochement of the position of the Russian leadership and that of the State Council of Georgia, during a meeting in Moscow on 3 September, that brought up the issue of revising federative relations with Moscow in the republics of North Caucasus. In the opinion of the mountain-dwellers, Moscow has not set a proper moral standard in resolving the conflict. As far as the ‘Islam’ of the Abkhazians is concerned, along with that of the KNK [Confederation of the People of the Caucasus], a

statement by KNK President Musa Shambov, to the effect that the three white bands on the flag of the Confederation symbolize the three Christian ethnic communities belonging to it—the Abkhazians, the Ossetians, and the Cossacks, is characteristic. Abkhazia officially converted to Christianity as early as the sixth century. To be sure, some Abkhazians were Islamicized during the Turkish domination of Abkhazia; the same may be said about the Adzhars, who are ethnic Georgians. Besides, there are mullahs and mosques in Adzharia, and circumcision is practiced, unlike in Abkhazia, where many of the Abkhazians who consider themselves Muslims (they live mainly in some of the villages of Gudautskiy Rayon) are Muslim to the point of celebrating Easter. Therefore, it is yet to be seen in which people, the Abkhazian or the Georgian, the Islamic element is stronger.

Nonetheless, such interpretations of events which are leading the people away from the essence of the matter are being vigorously developed and propagated in Georgia. On one occasion, they make noise about the danger and the creation of "a green belt of Islam in the Caucasus." On another, E. Shevardnadze imagines "Zhirmovskiy's hand" in Abkhazia, while TV from Sukhumi broadcasts about the struggle against the Abkhazian militia as a struggle against "the Red brown shirts" (1). On yet another occasion, an old tale is resuscitated at a rally in Sukhumi, according to which an evil "third force," that is, Russia, which just cannot resign itself to the independence of Georgia, is instructing and instigating Abkhazians, who are childishly unwise.

Actually, the conflict is rooted in something completely different. There are two independent peoples, the Abkhazians and the Georgians, which incidentally belong to two different language groups—the Abkhazian-Adyg group and the Kartvelian group, and one of them desires to retain its subordinate position with regard to the other, as opposed to establishing relations on an equal footing, whereas the other vigorously "objects."

For instance, a chief of a Moscow newspaper which sympathizes with Abkhazia observed the following as he discussed the nature of "imperial solidarity" in an article under the same title: "Totalitarian thinking and the insuperable lust for power impose the striving to keep as many territories and peoples as possible under one's domination. Ask them: Why does Russia need Chechnya, and why does Georgia need Abkhazia? They will hardly give you an intelligent answer. Minerals, living space, and economic potential—all of these gains are worth nothing compared to the permanent threat of an explosion of discontent in a region retained by force. Is it really unclear at the end of the 20th century that the strength of a country is not primarily in the expanse of its territory, but in the quality of management, the perfection of technology, and in its standard of living?"

The essence of imperial thinking is precisely grasped in this quote. The presence of such thinking in the Abkhazian-Georgian conflict is obvious. Let us recall that in his

time, even A.D. Sakharov, in 1989, shortly before his death, warned about the danger of imperial ambitions prospering in mini-empires like Georgia.

The current impasse in Abkhazian-Georgian relations is rooted in the 1870's and 1880's, when lands that were depopulated as a result of the mass emigration of Abkhazians to Turkey (*makhadzhirstvo*), instigated by tsarist policies, began to be settled primarily by Georgian migrants. Abkhazia quickly turned from a monoethnic to a polyethnic country. In just 40 years, between 1866 and 1926, the percentage of Abkhazian population in Abkhazia dropped from 86 to 26 percent, whereas that of the Georgian population, on the contrary, increased from six to 32 percent. In turn, according to the 1989 census, Abkhazians and Georgians accounted for 18 and 46 percent of the population, respectively.

It is paradoxical that numerical superiority is the weightiest argument of the Georgian side in the dispute over Abkhazia. However, this is precisely what Abkhazians accuse the officials of Tbilisi of doing—continuously pursuing a policy which, overtly or covertly, facilitated gaining such superiority (to mention just one thing, the massive, at times forcible, relocation of peasants from Western Georgia to Abkhazia under Beria's!).

I recall an episode from the story "The Beginning" by Fazl Iskander, when an ignorant college employee asked, as he was studying the paperwork of a prospective student, "Abkhazia, is it Adzharia?" The perplexed prospective student answered, "No, Abkhazia is Abkhazia." However, you try proving that this is not the case, and that Abkhazia is Abkhazia, to those who chant "Abkhazia is Georgia!"

The prospects are for the war here to become much more protracted than in a majority of other hot spots of the former Soviet Union. The historic and demographic tangle which has been created in Abkhazia by now is too complex, and the two sides have reached the present time with resources of conviction of their being right and mutual intransigence which have been accumulated for decades, and are too great.

What is the way out? Could it be that it is impossible to undo the "Abkhazian knot"? In principle, it is possible, if we reject false approaches. To my mind, to this end the Georgians should:

1. Give up the illusion that the issue may be resolved by military means. Ours is not Stalin's and Beria's time, of the total suppression of individuals. Even if the Georgian troops succeed in occupying the entire territory of Abkhazia, the Abkhazian population will continue a guerrilla war, similar to the one now under way in Ochamchirskiy Rayon, from mountain bases, from bases in North Caucasus, from bases wherever. In general, it is very difficult to defeat a nation fighting for its freedom, small as it might be. Georgians will always have Georgia to retreat to, whereas the Abkhazians cannot retreat. It should also be borne in mind that, in a modern, interdependent world, there will be no one-on-one battles (or

more precisely, forty-to-one, taking the numerical proportion into account)—there will be support for Abkhazians in the already mentioned North Caucasus and among the large Abkhazian-Adyg diaspora.

2. Ponder the fact that history rendered its judgment long ago. When a nation fighting for its freedom clashes with a nation fighting to preserve the territorial integrity of the state, the former nation always turns out to be right. England and Ireland, the Austrian Empire and Hungary, the Russian Empire and Poland bear graphic witness to this.

3. Not view the issue upside down, and understand that Abkhazians are not an ethnic minority in Georgia, but rather that Abkhazia is a country which, by the force of certain circumstances of history, became an autonomous unit within Georgia, just as Georgia at some point joined the Russian Empire. Stop persuading themselves and others that Abkhazia is a "native Georgian land" (it would suffice to read items in the Georgian press from the 1870's and 1880's by G. Isereteli, I. Chichinadze, and other authors who called for the settlement of the vacated Abkhazian and Circassian lands by Georgians, in order to ascertain that, at that time, raising the issue in this manner was out of the question). Agree that the theory of "two aboriginal nations," according to which Abkhazia has "two indigenous nations—Abkhazians and Georgians," is historical and legal nonsense. After all, the Georgian public had enough integrity and common sense to reject the infamous Ingorokva theory, which turned Abkhazians into some kind of "aliens," and was created in the early 1950's, clearly on "social order."

4. Understand that the rights of a particular nation on a particular territory cannot be defended by denying another nation the right of self-determination. Thus, Russia definitely should and will defend the rights of the Russian-speaking population in the Baltic states. However, had the "war party" won out in Moscow at one point, and had such defense begun to be provided by "keeping in" the Balts, this would only have exacerbated the tangle of problems there still further and, as a result, made the lives of these same Russian speakers a nightmare.

In turn, the Abkhazians should:

1. Give up the illusion that the issue may be resolved by military means. Even if we assume that, having pooled all forces, the Abkhazians are able to push the Georgian troops across the Inguri, who will forever defend the border and guarantee that the other side will not attempt to "rouse" the local Georgian population?

2. The Georgians also have national ambition and pride. This means that we should come to terms somehow. Building a state which is based on coercion, with regard to a considerable proportion of its population, is akin to building a house on a volcano that may come alive any minute; this applies to both Georgia and Abkhazia.

3. Be continuously mindful of the small size of the Abkhazian nation, in view of which virtually any military victory by it may be considered "Pyrrhic." Given equal numbers of the dead, the relative loss to the Abkhazian side is 40 times greater than to the Georgian side.

Alas, I understand full well that these are merely good wishes. Intransigent individuals unavoidably gain a lot of room for action in a period of war, when the "science of hate" develops and emotions prevail over reason, and when the law of revenge takes effect. Besides, by now the withdrawal of Georgian troops and North Caucasus volunteers from Georgia is indeed very difficult, because peaceful inhabitants on both sides are afraid to be left without protection.

The behavior of Georgian military authorities in Sukhumi and other areas of Abkhazia controlled by them testifies to their clear-cut intention to return to the times of Beria, when, as the older generation tells us, mothers woke children up at night in order to speak Abkhazian with them without fear. Likewise, at present, Georgian patrols rip pages with entries in Abkhazian out of passports, cross out the entry indicating the ethnicity of Abkhazians in their passports, and write a foul word above. Trolley buses in Sukhumi have begun to run with signs in Georgian.

In turn, the peaceful inhabitants of Sukhumi are afraid of suffering when the city is stormed. For their part, those who actively cooperate with the occupying authorities have all the more reason to make every effort in order to prevent a change of power in Sukhumi.

So, we write in our newspapers: "Shevardnadze and Gindula: 'Everything for the front, everything for victory.'" Having visited Sukhumi, Shevardnadze likewise proclaims: "Everything for the front!"

Thus, the outline of the "Cypriot scenario" is already becoming realistic in Abkhazia; it will be different, in that the border between the Abkhazian and Georgian sides will never firm up ultimately, it will be mobile, and blood will be shed along it, because the "Cypriot" will never arise to neutralize it.

Could it be that the only prospect is to wait for the parties to exhaust one another in bloody battles, and to finally begin looking in earnest for paths toward agreement and accord only after a multitude of new deaths and destruction?

Teziyev on South Ossetian Goals

93H S0206C Moscow LITERATURNAYA GAZETA (in Russian No. 50, 9 D).

[Interview with Oleg Teziyev, chairman of the Council of Ministers of South Ossetia, by LITERATURNAYA GAZETA correspondent Aleksey Shishov, place and date not given. "Between the North and the South."]

[Text] [Shishov] Oleg Dzhерикhanovich, there is not a nation in the world that does not strive for peace. However, the Supreme Soviet of South Ossetia has appealed to the Congress of People's Deputies of Russia requesting that the issue of seceding from Georgia and joining Russia be considered. You are aware that, frankly speaking, many people in Moscow viewed this declaration as instigating a new cycle in the conflict between Georgia and Ossetia, into which Russia was being drawn, to boot.

[Teznev] Yes, I am aware of this response. However, if I am not mistaken, this occurred about two weeks ago, immediately after the appeal. After all, at present, our life is so intensive that one day should be counted as three. If I were to answer briefly, I subscribe to the concept of the appeal, but, from the tactical point of view, I did not, and do not, consider the present moment most opportune for it.

[Shishov] Is that to say that, in principle, you support the unification of North and South Ossetia?

[Teznev] Yes.

[Shishov] But will Georgia agree to this?

[Teznev] The reunification of the two Ossetias is one of the most significant issues in the life and historical development of our people. All my great respect (genuine only when ostentatious) for the Georgian people and state notwithstanding, I believe that all nations, and in this case, the Ossetian nation, resolve and will resolve their political issues in their lives on their own, proceeding from their own will and destiny, rather than because another nation, another state "agrees" or "does not agree" to this.

[Shishov] What does "resolve" mean? Fighting Georgia?

[Teznev] No. When I say this I mean primarily ways of solving an international law, what is called a "civilized" method for solving a problem. When the last parliamentary election was held in Georgia, most of the population of South Ossetia did not take part in it. By doing so, none of us clearly made it understood that our people do not consider themselves subjects of the state of Georgia. The results of a referendum on the reunification of the two parts of a united Ossetia, North and South, indicate the same. This is the will of our people, it is their will, their instinct of self-preservation. Look at the English-occupied Germany reunited, though it appears that it was not threatened by anyone. Meanwhile, there is a very great and real threat, looming over us, northerners and southerners alike. Under the circumstances, how can the nation fail to dream about reunification, if it wants to survive and preserve itself?

As far as a "big war" between Georgia and Russia is concerned, of us, with all due respect, gibberish. The current economic situation makes this military clash absolutely unrealistic. In Ossetia, we will do everything within our power to prevent such a war, not to God

forbid, provoke it. I would very much like the people of Russia to be firmly aware of that.

[Shishov] However, it is precisely the difficulties of such unification that may bring about excessively large sacrifices for the people.

[Teznev] This is why we are trying to follow the most balanced, reasonable path. This is why we do not rigidly raise the issue of seceding from Georgia. At present, we are satisfied with the status quo, the measure of real independence which we have ensured. We should calmly develop relations with North Ossetia, and restore the "uniform body" of the Ossetian state and the people, in reality rather than on paper. You know, the practices of recent years, including those in the USSR, have indicated that there also are peaceful ways to restore national independence—look at, say, the Baltic area.

[Shishov] This is not the most pleasing example for Russia, after all, having gained independence, the Baltic states began consistently to violate the rights of Russians.

[Teznev] Perhaps. However, we for our part strive for reunification and autonomy within the Russian state. South Ossetia does not just want to unite with North Ossetia, but to also join Russia in the process. As far as violations of ethnic rights are concerned—Chauvinism is the greatest danger to any nation, large or small. Believe me, we understand this, and the Ossetian state is not going to be national-chauvinistic. It appears that nobody has rebuked us for any nation in Ossetia being oppressed. This is to say nothing about Russians—the attitude toward Russia and the Russians in our country at present is the best, perhaps the same as there once was in, say, Bulgaria. However, which one of the other nations of which, thank God, there is no dearth in South Ossetia, has complained about national oppression by Ossetians?

[Shishov] What about the Ingush? The people were thrown out of their homes, they have become "twice the victims of reprisals." First, it is unjust, second, this plants the seeds of a new, endless war. Are you not afraid that your land will become a new Karabakh, Ulster, or Lebanon?

[Teznev] "Let the frying pan cool off." Negotiations are needed. I know firmly that we will never yield Prigorodny Rayon to the Ingush Republic, this is out of the question. However, as far as refugees are concerned, as far as the Ingush who lived there are concerned, and incidentally, lived very well, often more affluent than their Ossetian neighbors, as far as people are concerned who have become pawns in a dirty political game, devised behind their backs, there are major problems involved which should be solved.

REGIONAL AFFAIRS

Azerbaijan's Nazarli on Current Conflict

93US02224 Moscow LITERATURNAYA GAZETA
in Russian No 51, 16 Dec 92 p 2

[Interview with Major General Baba Nazarli, deputy defense minister of Azerbaijan, conducted by Elmira Akhundova; in Baku, date not given: "The Command of the Transcaucasus Military District Is Playing a 'Double Game,' Major General Baba Nazarli, Deputy Defense Minister of Azerbaijan, Believes"]

[Text] Regular units of the Armenian Armed Forces supported by armored equipment and aviation have attacked and captured approximately 15 villages of Zangelanskiy and Kubatlinskiy Rayons, advancing 15 km deep into Azerbaijani territory. There are numerous casualties among the peaceful population.

I contacted Major General Baba Nazarli, deputy minister of defense of the republic, by telephone.

"The world simply cannot recognize the fact that war with Azerbaijan is being waged by the Republic of Armenia, not the Armenians of Nagorno-Karabakh," he said. "Take if only the latest events in Zangelan and Kubalty. After all, these sectors of the border have nothing to do with Upper Karabakh."

[Akhundova] With what do you connect the new twist in the escalation of the conflict?

[Nazarli] Last week Defense Minister R. Kaziyeu, A. Abbasov, first deputy prime minister, and I met in

Gyandzha with the command of the Transcaucasus Military District. We told Lieutenant General F. Reut plainly at that time: There was an ulterior motive behind your transfer from the position of commander of the 7th Army stationed on Armenian territory to the position of commander of the Transcaucasus Military District, as also behind the fact that your deputy is Lieutenant General Oganyan. It is perfectly obvious that such appointments can in no way work to stabilize the situation in the region.

[Akhundova] What does the Armenian side get out of advancing deep into Zangelanskiy and Kubatlinskiy Rayons?

[Nazarli] They are hoping to expand the Lachin corridor and reach Martuni, Gadrut, and Krasnyy Bazar, controlling the strategically important highway.

[Akhundova] Armenia's mass media are maintaining that Azerbaijani aircraft have been carrying out bombing raids on Armenian localities—Kafan and Goris.

[Nazarli] Let us not stand things on their head. It has just been reported to me that two MI-24 helicopters appeared yesterday in the area of Kedabek at an altitude of 3 or 4 km, clearly on a reconnaissance mission. Today at 0700 warplanes were flying in the same area. It cannot be ruled out that tomorrow there will be an exacerbation of the situation in this section of the border also. As far as Goris and Kafan are concerned, we were not firing at centers of population but were forced to open return artillery fire to suppress enemy fire positions and prevent the advance of his combat equipment.

We have already liberated five captured villages.

ESTONIA

Prime Minister Laar Visits Tartu

Military Airfield To Be Returned to Local Jurisdiction

93UN05184 Tartu POSTIMEES in Estonian 3 Dec 92
p.1

[Article by Peeter Lahi "Mart Laar Subscribed to 'Postimees' Again"]

[Text] Mart Laar wants a decision made already in the spring regarding the fate of the Museum of the Estonian People (ERM) and he plans to hand over the Tartu military airfield to the local authorities.

Mart Laar told "Postimees" that he has firmly agreed with Toim Lukas, director of ERM, that as soon as the exact cost estimate of ERM's development capacity in various fields has been prepared, a decision should be made in the spring regarding the museum's building site.

"This is necessary so that work can really begin. Most of the funds are used up right now because of a reluctance to make decisions," said Prime Minister Mart Laar.

The Prime Minister did not rule out the possibility that the decision regarding the location of ERM may have to be made by the parliament.

"Hearing Mr. Lukas' ideas on the development of ERM and the possibilities for obtaining financial aid outside of the national budget, it is clear that the institution will receive assistance also from the national budget," said Mart Laar. "Government helps those who help themselves."

The Prime Minister promised to allocate out of next year's national budget additional funds for the reconstruction of the present railroad club as an exhibit area of ERM.

"We have come to an agreement with the Defense Ministry that the latter has no need for the Tartu military airfield. I don't think that the Republic of Estonia needs long-range bombers," said Mart Laar yesterday to "Postimees."

Prime Minister Mark Laar thought that the airfield should be transferred to the local jurisdiction. The future fate of the airfield depends primarily on the local authorities and on the bids and ideas of Estonian and foreign business circles on a better use of the former military airfield.

Before the press conference, in the fireplace hall of "Postimees," Prime Minister Mart Laar entered a subscription for "Postimees" for next year for his family. The prime minister has, for years, been a subscriber to the daily paper and last year he was also one of the best outside authors contributing to "Postimees."

Mart Kadastik, managing director of "Postimees," thanked the prime minister for the press conference and presented him with a "Postimees" T-shirt. Mart Kadastik promised that, if Mart Laar would be willing to wear the shirt in public even for one day, his family would receive the 1994 subscription to "Postimees" free of charge.

Interview Addresses Current Problems

93UN05188 Tartu POSTIMEES in Estonian 22 Dec 92
p.2

[Article by the Political Desk "Mart Laar's Press Conference at the Editorial Office of 'Postimees'"]

[Text] [Political Desk] Is there any truth to the rumors about the possible resignation of the president?

[Laar] I have no such information and I have my doubts as to the truth of these rumors.

[Political Desk] Is Foreign Minister Trivimi Velliste's position on the establishment of the four-sea-mile Estonian seacoast border the same as the administration's position?

[Laar] The administration has stressed it numerous times, and Mr. Velliste confirmed it even at the administration's press conference that this is his personal position. The administration has not arrived at a clear position on this question, because it will only be on the agenda at this Thursday's session. I believe that this question is up to the parliament to decide and once the decision is made, the administration is required to follow it.

[Tut Pruuli, prime minister's council] On Monday, the "Isamaa" faction intends to schedule a general discussion on the subject, to which will be invited representatives who are both for and against this argument as well as experts, in order to deal with this question in a thorough manner.

[Political Desk] In addition to the seacoast border, in terms of security policy, the Estonian defense force also plays an important role. What steps has the administration taken to remove Estonia from the so-called blacklist and to enable it to procure arms?

[Laar] The steps that have been taken by the administration will soon be manifest. While in earlier times Estonia was widely blacklisted, prohibited to be recipients of arms and other defense equipment, so that even friendly nations refused to send them, now the situation has suddenly changed. During the first two weeks of the administration of the present government, numerous offers were received. For instance, Sweden is sending liquidated arms equipment from its warehouses. The first shipment should arrive as early as December.

Especially significant was the visit of the American National Guard. They were expected, in vain, by several countries, but thanks to our democratic elections they

visited us first. We will have real collaboration with the Americans on defense problems. In the next few months, seven or eight National Guard liaison officers will arrive here in order to render us every possible help, from the determination of the environmental danger of the Karkna warehouses to the training of the Estonian military.

[Political Desk] How would you comment on the Estonian Privatization Agency and the reason for mistrust as reported to Andres Bergmann?

[Laar] In the Republic of Estonia we must abide by the laws that are in force here, especially in connection with privatization. It is true that the Estonian Privatization Agency has, in spite of all warnings and notices, announced a privatization policy under terms very likely to be suspect and which may be challenged in court, i.e., a possibility has arisen for a repetition of the "Talleks" incident. The method of privatization contradicted sharply the procedure set forth by the Supreme Council and the administration had no other way. With the present decision, the administration is attempting to bring law and order back to the privatization procedures. The administration's decision is no doubt causing some confusion, but I believe that if we allowed things to go on as before, the situation would be much worse. The administration has assumed responsibility and wishes also to fulfill its duties.

[Political Desk] Right now an enterprise has to pay 18 percent sales tax based on a flat rate, regardless of whether it has or has not made that much money. When will enterprises be taxed on the basis of their income?

[Laar] Numerous proposals regarding the present income tax system have been made, and they will be discussed in Parliament during the next six months. Taxation laws form a whole entity, and if even one part is missing, it creates a hazard to a balanced budget. Beginning in December, different projects will be discussed with a view to lowering the rate of income tax for individuals and enterprises under certain circumstances. According to these projects, profits will not include research made to increase production and funds received from sponsors.

[Political Desk] What is the administration's position regarding the possibility of the devaluation of the Estonian kroon?

[Laar] The administration's position is categorically negative. With the devaluation of the kroon, all of the present economic policy would make no sense and this would mean a new administration. The Estonian kroon is stable: it has proved to be a stable currency and because of it even the political situation in eastern Estonia has changed in many ways. A person who crosses the Narva River and runs the gauntlet of moneychangers on the side of Ivangorod feels like a Finnish tourist in Estonia five years ago.

[Political Desk] When will the promised foreign loans reach Estonia?

[Laar] Obtaining them is not that simple. Also, the bureaucracy of the countries extending loans sets up obstacles.

The door was opened for new loans only after the International Monetary Fund's report on the economic program of the new administration. This created the opportunity to obtain a loan in the amount of \$100 million. When that will arrive is another question. On the part of the Japanese, a loan of \$20 million will arrive no doubt quickly and with relatively easy terms. It is meant specifically for the energy program. We will not use it to purchase heating fuel but to attempt to put our house in order with an energy conservation program.

In addition to the questions of "Postimees," the prime minister also answered questions posed by other newspapers, radio and news agencies.

Radio "Kuku" was interested in knowing when a new Estonian ambassador to Finland would be appointed. According to Mr. Laar, the appointment of the ambassador will be discussed soon by the administration. Names cannot yet be named, because prior to that agreement should be obtained from the corresponding country. This will evidently be obtained this year.

In answer to the question from "Rahva Häl" regarding the situation with the Bank of Estonia, the prime minister replied that it is not fitting for the administration to interfere with banking. He reminded us of the criticism of the International Monetary Fund of our commercial banks which are said to have extended credit carelessly. For a long time, the situation that had developed was viewed through a crack in the door, and now very hard decisions had to be made. The cleaning up of the banking industry should bring some order to this area.

To the question of "Aripaev" regarding the fate of "Eesti Kutus" Mr. Laar replied that the entire structure of "Eesti Kutus" needs to be changed, but it is very risky to do that just before winter.

Commenting on the situation with Estonian television, the prime minister considered as completely inadmissible the present use of tactics by television management in issuing television operating licenses on the basis of favoritism, not on the basis of competition or public bidding. As an example, he mentioned the incident with Mr. Taska, in whose proposal no one was interested. The privatization of channels must take place by means of public competition, in which the rules should be as simple as possible and the determining factor should be the best offer.

Former CP Head on Russophobia, Ethnic Problems

93U N0543R Moscow *PRAVDA* in Russian 17 Dec 92
p.5

[Article by Lembit Annus, candidate of historical sciences (Lahinn): "The Dramatic Situation of the Russians in Estonia"]

[Text] For five years in a row the "Russian question" has kept the level of tension high in our society. It has been interlinked with the most diverse political, economic, and social problems in Estonia. The reason for the tension is the policy of ethnic segregation, which has evolved in the last few years from a slogan proclaiming the priority of the native nationality into the official policy line of the powers that be. After the achievement of independence, this policy would be legally secured in the new constitution and would become the main thrust of new laws pursuing the far-reaching goal of an "ethnically pure" Estonian state.

Our society is now split into two unequal parts, measuring 60 and 40 percent and corresponding to the definitions "citizen" and "non-citizen." There are different legal standards for the two groups. The very division of the population into first- and second-class members of society on ethnic grounds was "legitimized" here by the unprecedented Supreme Council decree on the implementation of the 1938 law of the Estonian Republic on citizenship. This legal document is ludicrous, and primarily because it revises three and suspends four articles of the citizenship law of 50 years ago. It is no secret, however, that this cannot be done by decree. A law can only be changed by another law. Incidentally, laws cannot be applied retroactively in a civilized society, but these legal "fine points" are beyond our lawmakers.

The present situation of the "non-native" inhabitants of Estonia is dramatic because they are now foreigners in a country most of them thought of as their homeland. What is worse, they have become the hostages of the people who are playing the so-called "Russian card" with some success. They are confused and disoriented. They have a mounting sense of total futility. The most frightening thing, however, is that they have been abandoned to the whims of fate—sink or swim, the choice is yours.

Today the non-Estonians have reached a crossroads, just as in the well-known Russian fairy tale, and have to choose one of three roads. The first will take them out of Estonia, back to their historical homeland. Their second choice is to apply for a permanent residence permit in the place where many of them have already been living for more than a decade. Their third choice is to learn the Estonian language, take the test, and then apply for citizenship. Only the third road will turn them into first-class members of the Estonian society, and none of the 600,000 "non-natives" will be able to postpone this dramatic choice.

More than 30,000 people have already left Estonia this year. This is three times as many as last year. The number of emigrants is rising. Because of this, we have every reason to say that the Russians are being forced out of Estonia. During this process, the provisions of the Helsinki Final Act on the need to reunite families are being violated on a massive scale. According to the estimates of the Department of Statistics, there are more than 50,000 "illegal residents" in the republic without a permanent residence permit. Most of them are individuals who were not covered by the "migration quota" and could not register for a residence permit to live with their own spouses, children who have come to stay with their parents or, conversely, parents who have moved to be with their children. The authorities like to justify their own actions with references to these notorious quotas, which they supposedly cannot violate. The quotas, however, are set by no one other than the supreme authorities, and they have deliberately set them too low—no more than one-tenth of a percent of the national population a year. It is easy to calculate that it would take 33 years just to register today's "illegal residents" in Estonia.

Unemployment has become an effective means of forcing the Russians out of the country. This is recorded in statistics. A person cannot get a residence permit without a job or a permanent source of income. But what if he is deprived of these? What if he has no chance to assert and defend his social, economic, cultural, and political interests and rights? Then he cannot have a residence permit either. It is a vicious circle, and the most frightening thing is the uncertain future of the children.

According to the new law on education, a basic nine-year secondary education will be compulsory and free in the republic, but admission to a higher academic institution will require a complete secondary education—12 years of school or college preparatory courses. This will entail the payment of tuition, and that is not all. In the future some of the classes in Russian schools will have to be taught in Estonian beginning in the sixth grade, but because most of these classes will be taught by today's teachers, with only cursory language training, we can imagine the quality of future instruction in the Russian schools. All Russian study groups will be eliminated in the republic's higher academic institutions. Instruction will be offered exclusively in the Estonian language. Even classes in the only Russian-language institute, the Narva Higher School, will have to be taught in Estonian, on the orders of the Department of Language, by the start of the new academic year. Where will the Narva school get these instructors? No one has given this any thought.

The Russian culture is falling into decay in the republic. The main cause of its pitiful condition is the shortage of funds. The government treats Russian cultural establishments like stepchildren, although the state treasury is bolstered by the taxes paid by all residents, regardless of language and nationality. Clubs, cultural centers,

libraries, and children's educational establishments have had to be closed. Participants in a recent roundtable on the preservation and development of Slavic cultures, primarily the Russian culture, said that the greatest danger today is posed by the official government policy of "integrating non-Estonians into the Estonian linguistic and cultural environment." In other words, it is a policy of forced assimilation.

This is one of the main reasons that fluency in the state language was deliberately chosen as the main requirement for Estonian citizenship. Even the pensioners who are allowed to use public transportation for free in Tallinn after reaching the age of 75 have not been spared the need to take this humiliating test. No one is saying that a knowledge of the language is unnecessary, but questions concerning the age at which it should be studied, under what conditions, and within which limits, are far from rhetorical. Even the requirement for fluency in Estonian in the 1938 law on citizenship was given a much more liberal interpretation than today's. Before the war, knowledge of the Estonian language was optional "for stateless individuals who have lived in Estonia for at least 10 years by the time they apply for citizenship."

Is the stricter language requirement a coincidence? No, it is not. This is another example of the application of the Jesuitical principle: The end justifies the means. In present-day Estonia, for example, anyone setting up a tombstone with an inscription only in the Russian language may be fined for a "flagrant violation of the language law"! A physician can be demoted or dismissed simply on the grounds that he did not pass the state language test by the required margin. No one will take his medical services into consideration.

No one is trying to conceal the purpose of all this. "The Russian question has been a major political issue for the Estonians for a thousand years," asserts a historian of some repute in our republic, Evald Laasi, arguing the impossibility of the integration of Russians in Estonia. "Oh, if you only knew how much we despise them," agrees Mati Hint, an active "fighter" against Russian-language instruction for Estonian children in the past. "The French and Austrians do not have to understand why we despise their wartime allies and liberators from Nazism."

The Russophobia has led to the deliberate creation of intolerable conditions in all spheres of life. Whatever people here might say from various rostrums, on television and radio, and in the press, it is becoming increasingly difficult to conceal the violations of the Universal Declaration of Human Rights behind the smoke screen of sophisticated rhetoric. A report published a few days ago announced the creation of a community uniting the Russian-speaking inhabitants of Estonia (the Russian Community). It cited evidence of the violation of nine articles of the Universal Declaration and printed a far from complete list of the rights that are now denied to hundreds of thousands of people in Estonia.

History tells us that the triumph of violence is always transitory. Any action is followed by a reaction. Even the leading politicians in Estonia today once had to memorize this law in their physics classes. To our deep regret, however, they still have not assimilated this simple fact. One fine day the opposition in the society is bound to reach the level of critical mass, and then the danger of a social explosion will become a grim reality. Would it not be better to avoid this confrontation with at least a third of the country's population in advance by achieving civic accord? Then the situation of the Russians in Estonia would not be so dramatic and would not pose the threat of universal cataclysm. There can be a happy ending, but there is no third option.

Almost half a million refugees and 800,000 people who were forced to move are officially living in Russia today. Most of them are of Russian origin and speak Russian. The federal migration service predicts that there will be 2 million of them in Russia in a year.

Party Archive Inventory Defended

93UN0515A *Tartu POSTIMEES* in Estonian 29 Oct 92
p 2

[Article by Valdur Ohmann, Affiliate Director, Estonian State Archives: "What Has Transpired in the Party Archive Over the Year?"]

[Text] **Public statements about the secrecy of party documents and other such issues were heard often enough during the recent election campaign. As it happens, however, none of the people spouting these high-tone sentiments had even bothered to get into the former EKP [Estonian Communist Party] archives (presently an affiliate of Estonian State Archives), or attempted to find out about the current state of affairs, and changes that have taken place at the archive. Unfortunately, the archive's image is also diminished by references made by professor Juri Ant of the University of Tartu to "the hastily accomplished inventory at the Communist party archives." ("Is Estonia's History Coming To An End With the Twentieth Century?" By J. Ant, POSTIMEES, October 16, 1992).**

What has been happening at the party archive over the past year? Let's take a look back in time. In January of 1991, the EKP archive was indeed closed, not hastily, but for a regularly scheduled review that, according to regulations, was done at intervals of 10 to 15 years at all the party archives of the Soviet Union. The last review of the kind was conducted in 1979/80. The review served one purpose: To establish the existence of file units (records) preserved. The EKP archive, however, was not closed down completely for the duration of the file check. Between January and August of 1991, researchers visited the archives on 140 occasions, two of them were foreign researchers. It is true though that, as a rule, no new researchers were given access to the archives during that period.

On May 6, 1991, a document arrived at the EKP archives signed by director Kitayev of the SUCP Central Archives, titled: "Directive on methods for Conducting Expertise of Archival Documents and for Changing the Location of Some Archival Documents." The directive called for pulling and destroying the party committee's temporary files for the years 1946 to 1985, including SUCP admission files, staff files, personal files of Communists punished by the party, and information files on state and financial agencies, organizations and enterprises.

The documents mentioned form a rather large portion of the collection kept at the EKP archives. Also in the archives is a draft of the letter EKP Central Committee sent to the SUCP Central Committee, expressing the opinion that destroying the archival documents mentioned is not a judicious thing to do, considering the political situation developed in the republic, and the public's negative reaction to it. Whether or not a letter to that effect was ever dispatched to Moscow is not known for sure, because the EKP Central Committee documents from the year 1989 to the present are in the hands of EKP.

The same directive gives an order to check if there are any materials relating to Soviet military units or materials on KGB party organizations, and suggests that these be turned over to the appropriate agencies. It should be mentioned here that the director of the EKP archives at that time received

A letter from V. Pool,

chairman of the Estonian SSR State Security Committee on August 14, 1990, which requested that the KGB party committee materials, temporarily (?) transferred to the EKP archives, be returned. A document dated August 16, 1990, shows that 600 files of the Estonian SSR KGB party committee for the years 1944 to 1983 were turned over to the secretary of the party committee. These dates, in all likelihood, signify the time at which KGB started to feel anxiety about its fate, and lost its faith in EKP, who had been its trusted cooperating partner for decades.

It is understandable for the public to wonder if, and how much of the materials in the EKP archives were removed or destroyed. The answer to this will be a letdown for sensation-seeking readers. The directive from the SUCP Central Archives ordering the destruction of materials was not carried out by employees of the EKP archives. Nor has anything been lost from inside the archives, except for the aforementioned KGB party committee collection. This is also confirmed by the commission formed by the State Archive Office of Estonia that spent seven weeks reviewing the archives, right after the August coup. Records show that there should have been 508,960 files at the EKP archives. The inventory showed the presence of 508,780 files. This left 180 files missing. A later check and attempt at clarification has shown that

esteemed professor Ant thinks that the inventory taken in the Fall of 1991 was hasty, then that indeed it was, due to objectively verifiable circumstances, but it did serve its purpose, i.e. it proved (confirmed) that the EKP archive had been preserved in its entirety at the time it was made part of the state system of archives. Thus, MATERIALS THAT THE EKP, IN ITS DAY, HAD TURNED OVER TO THE ARCHIVES, ARE NOW LOCATED AT THE AFFILIATE STATE ARCHIVES (THE PARTY ARCHIVES). They can be used subject to the same regulations in effect for other state archives within the territory of Estonia (and that since December 4, 1991, information about which was also carried in the media).

Decisions up to security organs and EKP Central Committee

It is a different matter with materials that are for some reason thought to be in the archive, but are not. That is the case, for example, with documents being formulated for foreign travel. Since 1975, there was a commission attached to the EKP Central Committee, whose task it was to formulate permits for foreign travel. For the year mentioned, 18,400 permits were issued to representatives of different ministries, including 14,470 tourist trips and applications for business travel. The actual decisions were up to the security organs to make, and the appropriate commission of the EKP Central Committee relied on evaluations received from them. In line with instructions received from the SUCP Central Committee, such a commission did not formulate its decisions into protocols.

Similar solutions could be found on a number of other issues, where subsequent study shows that certain kinds of materials were not formulated at EKP because of conspiracy regulations (or some other principle), and documents were not turned over to the EKP archives. An archive visitor not aware of this would naturally experience disappointment at not finding the information expected and—let's face it—sometimes also mistrust for the archive and the people working there. As a rule, documents were placed in the EKP archive by outsiders. The EKP archive did not decide what should be kept there, but the EKP Central Committee did. Often instructions came from as far away as Moscow, which determined what should be saved, and what should vanish without a trace.

At the same time, the archive contains

Enough interesting materials yet to be explored, or

materials that have only been explored one-sidedly, and one can agree with professor Ant that many of us think our recent history to be so 'clear' that no documentary proof or confirmation is needed to support the positions taken. It seems that people are willing to settle for

hearsay, recollections of contemporaries, and other such, without really pondering if this is the way to get an objective picture.

The last 50 years of Estonia's history need to be explored thoroughly, from all sides which, like any other research, is a time-consuming process that needs to be subsidized. Historical research, **unfortunately**, is not an activity that pays for itself. Archival research, and the use of original sources, does not always lead to fast results and resolutions, while foregoing it can guarantee savings in both time and money. But what about adequacy and quality?

USSR Passport Validity Extended

93UN05434 Moscow TRUD in Russian 19 Dec 92 p 1

[Article by Galina Golub (Tallinn): "What Passport Do You Have?"]

[Text] With the new year approaching, a third or more of the inhabitants of Estonia ran the risk of having no identification papers.

Soviet passports were to have been invalidated, and this would have affected primarily the Russian-speaking population. Furthermore, many citizens of the republic who are entitled to Estonian passports simply would not have had the time to get them because of the long lines in the passport bureaus.

Then Minister of Internal Affairs L. Parek asked the government to intervene, and it decided to extend the validity of the Soviet passports until 1 September 1993. Apparently, the overseas passports of the USSR will also be valid. Freedom to travel, according to L. Parek, must be granted to everyone, regardless of citizenship, and everyone one knows that you cannot go far without papers.

Privatization Begins For 38 Firms

93UN04920 Tallinn ARIPAEV in Estonian No 111,
14 Nov 92 p 9

[Article by Erkki Peetsalu: "Rapid Privatization Will Secure Development of Estonia's Economy"]

[Text] Andres Bergmann, chairman of the administrative council of Eesti Erastamisettevõte [Estonia's Privatization Enterprise], said that getting the privatization process going as rapidly as possible will secure the future development of Estonia's economy. Working out legislation to regulate the privatization process is one of the most important tasks at this time, because the international bidding competition for privatization in Estonia is scheduled to begin on November 17.

Next Tuesday, according to Bergman, Estonia's Privatization Enterprise will disclose the group of 38 business enterprises to be privatized first. The listing of these enterprises will be published in four of Estonia's daily newspapers, and in 10 leading international publications

(FINANCIAL TIMES, FRANKFURTER ALLGEMEINE and others). The deadline for offers from natural and legal entities wishing to participate in the privatization is December 22. The final decision regarding the new owner of an enterprise being privatized will be made by that department of Estonia's Privatization Enterprise which handles negotiations for the sales contract, using international consultants to help with their decision-making. The competitive bidding for privatization about to begin involves, according to Bergmann, chambers of commerce and organizations of all the countries having economic dealings with Estonia.

"Data from Germany shows that the privatization process about to begin is one of the biggest to be carried out by any of the states in the Eastern European region," Bergmann remarked. "Getting the privatization process under way rapidly is imperative not only because of the complicated condition of Estonia's economy, but also because foreign investors are pursued, not only by Estonia, but also by countries like Finland, Sweden, the two other Baltic states and many other countries of Eastern Europe. There is not enough capital in the world to meet all of the demand. Estonia's reforms are progressive, and the experience gained here will certainly help accelerate privatization in other states of the Eastern bloc."

Objective information is paramount

"For the last three weeks we have been busy gathering data, with the greatest accuracy possible, on all of the enterprises to be privatized first, as objectivity of information is paramount," Bergmann said. "The veracity of the data obtained was checked out by consultants of the privatization agency. The gathering of information went without a hitch. Any of the prospective buyers, be they legal entities or individuals from Estonia or from some other state, can, in the course of the privatization process, obtain additional information on the enterprises being privatized, so that informed decisions could be made regarding any further offers."

Participants in competitive bidding will be informed of the limits within which all bidding will take place. The most important criteria are the price of the enterprise, future investment potential, and the number of jobs guaranteed. It is around these criteria that competition will be created, but that does not happen directly in the course of the auction. "Every bid must be preceded by a financial analysis done on behalf of the future owner, showing how much of a bid that party will be able to make, and still maintain the financial viability of its business idea," Bergmann remarked.

"The privatization enterprise does its own preliminary financial analysis on each bidder, using the help of such international organizations and companies that gather information on medium-sized and bigger companies of different states. Eliminated from bidding will be participants who cannot prove their investment potential, or

those who have no guarantees for getting investments or bank guarantees to back up their business plan."

The final signing of the sales contract is done by the directorate of the privatization agency. From a certain amount up, the administrative council of the privatization agency also has the right to sign the contract. The cut-off amount for the agency to sign the contract was tentatively set by Bergmann at 10 million kroons, the exact amount to be determined by the management of the privatization agency.

The main function of the privatization agency is to present the prospective investors as objective and as authentic a review as possible of the enterprise to be privatized. The negotiator's task, however, is to decide between different investors: Who will make the most productive owner for the state. "A good business idea and extensive investments would mean the preservation of jobs and growth of the enterprise's ability to compete," Bergmann said. "This way both the enterprise and the state will be doing well, because a successful enterprise is in a high tax bracket and a good source of revenue for the state."

No possibility for corruption

Talking about the potential for corruption in the privatization process Bergmann said that, in theory, this is possible in two cases only but, in practice, it is not very likely to happen. "On the enterprise side, it could happen when certain ambitions of the enterprise people reach the administrator of the agency or people gathering information," Bergmann said. "The future owner can also, in some ways, influence the makers of the final decision, but the first of these possibilities for corruption is ruled out by the internal structure of the privatization agency, which applies to its personnel, and also to the confidentiality of data within the agency. Strict measures are taken for the person negotiating with the investor not to have any contact with the enterprise in question."

The second theoretical possibility for corruption is ruled out, according to Bergmann, by the fact that all the basic criteria on which the final decision is based, will be disclosed at the end of competitive bidding.

"An investor participating in the bidding would want, of course, that the privatization process be reopened in case the terms disclosed are no match to those offered by that particular investor," he said. "The whole procedure, however, is taken from the *Treuhand* system, where there have been virtually no cases of corruption, only a few attempts at it."

One can always protest a decision made by the Estonian Privatization Enterprise provided that the privatization agency, through its action, has exceeded its legal limits. The privatization process is currently regulated by decrees of the previous government or resolutions of the Supreme Council. The Ministry of Economic Development is currently working on a privatization law, to make sure that there be no doubts about the fairness of

the final outcome of the privatization process, neither from the investor's point of view nor from that of the enterprise being privatized

No obstacles to privatization

Bergmann said that he can think of nothing that would hamper the vigorous start of the privatization process in Estonia. "Assuming that the State Assembly will pass the privatization law, and land-related issues get resolved and also that the privatization agency will, in the future, be reporting directly to the parliament, instead of the ministry, I can see no other obstacles to privatization," he said. "With a large number of investors participating in competitive bidding, a shortage of qualified people within the privatization agency may present a problem. But that can always be overcome."

The privatization agency has, according to Bergmann, 20 paid employees at this time, plus translators and other specialists adding up to another 20. There are also six consultants from Germany, who are closely linked to privatization in Estonia.

"Estonia's privatization has been getting a lot of attention from all over the world, while a rapid start of the privatization process is also supported by Estonia's new government, and this is why privatization is ready to take off in Estonia," Bergmann remarked. "If it is done half a year later, positive changes in Estonia's economy may not show up until four or five years from now."

Launching the privatization process is, according to Bergmann, also closely linked to the favorable loan opportunities offered Estonia by the World Bank and IMF (International Monetary Fund) and thus, by delaying privatization, Estonia can lose out on many of the cheap loan opportunities. The rapid start of privatization is one of the basic prerequisites for all the future financial help coming to Estonia.

Broadcasting Media Undergo Changes

Television Drops Russian Channels

93UN05194 *Tartu POSTIMEES in Estonian* 28 Nov. 92 p. 1

[Article by Anvar Samost. "Estonian Television Press Conference"]

[Text] The probable cessation of TV broadcasts from Ostankino, the Russian television, and the Petersburg television as of next year in Estonia, Latvia, and Lithuania has raised serious questions regarding the use of the freed channels. At the same time, the economic and legal future of the existing national television is unclear.

Hagi Shein, the deputy of the managing director of Estonian Television, said yesterday at a press conference arranged by ETV that none of the three Baltic states

evidently have the means to program their own culturally relevant TV broadcasts and that the only solution is probably foreign capital.

According to Shein, Latvia will probably continue the transmission of Russian TV programs next year. In Lithuania, if funds are not found, these channels will be retained.

"By retaining the broadcasting capacity of this year's fourth quarter, the transmission of Russian programs would cost 5.5 million kroons [EEK] next year. The broadcasts of Estonian TV cost approximately 2 million. By the same token, the cessation of broadcasts on the Russian channels would be a catastrophic event for Russian-speaking people," said Shein.

Shein indicated that the goal of Estonian Television is to establish another Estonian language TV program. On the other hand, he mentioned that the cost of its production is too high, the number of performers small, and the amount of talent insufficient.

As indicated by Shein, in 1993 the existing national television and one Russian program will stay in place; the transmitted telecast of the Petersburg program, costing approximately EEK250,000 per year, would be transferred to the local authorities, and there will be an additional independent Estonian language program.

Shein and Raul Rebane declared that, in view of low salaries and poor working conditions, ETV has begun to lose its best employees. Shein said that at Tartu University the training of TV journalists has essentially ceased.

In spite of that, Shein and Rebane remained convinced that with similar financing ETV will be able to maintain the level achieved this season.

To finance the second channel, ETV's present management hopes to obtain funds from commercials. "Funds should be spent very economically in order to retain independent performers," declared Shein.

Although in our plans for a new TV studio we anticipated equipment for two programs, the cost of transition to new technology is nevertheless too great, about \$25 to \$30 million.

This year, according to ETV's research and development bureau, 5.1 percent of the profit came from commercials. Hagi Shein called this a "decent advertising income."

Eesti Radio Appoints New Director

93UN0519B *Tartu POSTIMEES* in Estonian 27 Nov 92 p 1

[Article by Estonian News Agency: "Estonian Radio Nominated Paul Himma as Candidate for Managing Director"]

[Text]

Estonian Radio Nominated Paul Himma as a Candidate for Their Managing Director

At yesterday's expanded meeting of the Estonian Radio Council, the election of the managing director was discussed.

Members of the council and representatives of the trade unions, collectives and technical associations nominated Paul Himma, the current chief editor of music broadcasts, as a candidate for managing director.

The meeting was preceded by discussions in sub-groups, which recommended seven candidates.

Paul Himma's candidacy will be presented to the parliament's education, science and culture commission for approval.

Embassy in Finland Dealing With 15 Countries

93UN0492D *Tallinn ARIPAEV* in Estonian No 114, 21 Nov 92 pp 8-9

[Article by Tomi Saluveer: "Estonian Embassy In Finland Is Dealing With 15 States"]

[Text] Finland will for some time be Estonia's bridge to the world—15 embassies of other states are accredited to Estonia from Helsinki, according to Sven Jurgenson, the temporary charge d'affaires of the Estonian Embassy. The work of the Estonian Embassy in Finland is thus, to a large extent, linked to other states.

"This is why the Estonian Embassy has less time to track and analyze Finland's internal politics," Jurgenson said.

Jurgenson thinks that the West is not prepared to understand what is happening here, and to accept us as equals among equals. After the 'iron curtain' came down, there is still a tendency to think that many things are wrong ideologically, in the former Eastern bloc countries.

Jurgenson said that there is no need for the Estonian Embassy to fight back minor items of misinformation cropping up in the Finnish media, but it should make itself heard in matters of state-wide significance. The embassy does that by having press conferences and banquets, and by inviting journalists.

"In fighting for our rights, we have reached a level from which we cannot step down," Jurgenson said. "This level will have to be high enough to be effective. It is not dignified to haggle over small problems."

The Finnish media blames many of the crimes on refugees, without any further investigation. Only later it may turn out, for example, that the real culprit was some Finnish taxi driver.

The volume of narcotic substances coming from Estonia is also very low, according to Jurgenson. The first dealer was caught in 1991. Compared to the narcotics channels of the West, Estonia's are quite minimal.

There are also cases where foreigners have applied for Estonian citizenship from the Estonian Embassy. This was attempted, for example, by some Chinese students living in Finland, who were hoping to slip in between the fresh democracy and the big bureaucracy of the Republic of Estonia. These requests, however, have not been satisfied, in keeping with the citizenship law of Estonia.

Register to get back

Jurgenson said that the embassy has proposed starting a registration or immatriculation procedure for Estonian citizens at the embassy. This would make it easier for the consulate to stand up for the rights of these people, in setting up elections, for example.

"The current, incomplete listings we now have could, and should not be used, because registration must be voluntary," Jurgenson said. "An individual has the right not to tell the state of his or her whereabouts."

Obtaining a Finnish visa is quite complicated, which has a result opposite from that intended—the criminals can always get across the border using their connections, while ordinary citizens do not bother going through the time-consuming procedure of getting a visa. Jurgenson thought

He added that most of the current Estonian refugees are linked to Mafia or some other shady groups. There are no longer any political refugees at the refugee centers.

Should an Estonian individual, for example, lose his or her papers while in Finland, and have trouble getting back to Estonia, the consulate would issue a temporary document for the return trip. So far, this option has not been abused by anyone, Jurgenson said, because the whole procedure is quite laborious.

"The state of Estonia does not cover the expenses of its citizens, even if they should have a heart attack or perish in a car accident," Jurgenson said. "Sending a body to Tallinn would cost 8,000 marks, and that should be paid for by family members or those receiving it."

Cheap labor force

Jurgenson said that Estonians still serve as a cheap labor force to the Finns. Citizens staying in Finland on a work permit are taxed lower than the Finns, and this is why the lower wage is justified to some degree.

"Thanks to the good work habits of Estonians, Finnish enterprises are well disposed to Estonians," he said. "I know of a case where Estonian programmers were threatened with dismissal, if they don't slow down their work pace—the work scheduled for two months was finished in a week and a half. Overtime is virtually outlawed in Finland."

Thus, Estonia's work force is qualified enough, the only thing lacking is motivation. There is no interest in working for the state and that, Jurgenson said, should

not be attributed to laziness—given the right motivation our people make better workers than Finns.

A system of day money is set up between Finland and those countries whose citizens have very little money. One can be excused from paying day money only if the inviting party has agreed, in writing, to cover all expenses.

At the customs post, situations often arise where a citizen of Estonia prefers to present a money order in lieu of the 160 mark day money. Even though there is an automatic bank machine within 50 meters of the customs post, money orders of our citizens are frequently not accepted.

"Estonians are very reticent and compliant by nature, and do not actively stand up for their rights," Jurgenson said.

Without an ambassador

The Estonian Embassy is operating without an ambassador right now, but the work is only slightly less effective. Jurgenson said that there are currently three candidates vying for the ambassador's position.

Estonia's situation is aggravated by its 'recipient status'. To get rid of that, we would have to find a state whom we could help. "We could, for example, send some of our doctors to work in Central Africa," Jurgenson said.

The Finland visits of many Estonian leaders of the state have, up until now, been completely unexpected. The Estonian Embassy often finds out about these visits from some other embassy. The foreign ministry, Jurgenson said, should be informed of all of these visits who, in turn, would then pass that information on to the embassies.

Without an embassy building

The pre-war embassy building in Helsinki was built by Estonians themselves. In 1940, Aleksander Varma, our last ambassador to Finland, locked the door of the embassy, sent a note to the Finnish foreign ministry, and took the keys to the police precinct.

During the after-war period, the building was offered to certain states for sale, but the offer was refused because it was a case of illegally acquired property. Immediate acceptance came from Bulgarians, however, who obtained the Estonian embassy building very cheaply. I am appalled by the currently prevailing bullheadedness of the Bulgarians," Jurgenson said. "They refuse to sell the building, even though this would bring them material gain for property that was a steal to begin with."

Estonia's Prime Minister Mart Laar considered his cordial contacts with Finland's leaders to be the most valuable part of his recent trip to Finland. [Photo not reproduced].

The Finns have also offered another building for the embassy, Jurgenson said, which would be very functional, because it would accommodate the ambassador's residence, the embassy and the consulate.

Both Prime Minister Mart Laar and Foreign Minister Trivimi Velliste, who will be visiting Finland this week, will get a chance to discuss the new building mentioned. The State of Finland has given its consent for Estonians to buy and to renovate the building.

LATVIA

Trial of OMON's Parfenov Ends

93UN05441 Moscow SOVETSKAYA ROSSIYA
in Russian 15 Dec 92 p 2

[Article by S. Turchenko: "Sentence Is Passed on Sergey Parfenov: Neither a Speedy Nor a Fair Trial"]

[Text] The trial of former Deputy Commander of the Riga OMON, Russian citizen and Militia Captain Sergey Parfenov, came to an end yesterday in Riga. The judge, J. Laukroze, read the verdict, pronouncing the defendant guilty of exceeding his official powers and sentencing him to four years in prison.

The three-month trial focused on three incidents cited in the investigative materials.

First of all, according to investigators, on 28 July 1990 a group of officers from the special forces, headed by Parfenov, surrounded the square in front of the Sigulda train station. They began inspecting the vehicles of private taxi drivers, confiscating the vodka they found hidden in luggage compartments and then beating and harassing the drivers.

According to the testimony of Chairman O. Pukitis of the Sigulda city soviet, people in the city had known for a long time that taxi drivers were selling black-market liquor in the station square, and they were disturbed by the militia's inability to cope with the problem. The special forces did not come to Sigulda by chance. The city militia division had received information about an anticipated brawl in one of the neighborhoods. Its own forces were inadequate. It asked the special forces for help. During the operation the OMON unit confiscated a large quantity of brass knuckles, clubs, bicycle chains, and other weapons. According to testimony, the vehicle inspections in the square were a "related operation," because the duty officer's log recorded a report that one of the drivers had been seen carrying a gun. When the special forces asked the taxi drivers to open their trunks, they found large quantities of liquor there. Another important facet of the case is that the "victims" who testified in court had not brought charges against Parfenov or any of the other OMON officers.

The second incident occurred on 10 October 1990, when a group of unknown individuals drove up to the Vetra store in two UAZ vehicles and took several intoxicated

pedestrians into custody. These were then driven to the beach, where they were harassed and were forced to take a swim ("so they could sober up") and then to drink some vodka ("so they would not catch cold").

In the courtroom, however, the "victims" denied their earlier testimony, said that they had never seen Parfenov before, and suggested that the special forces had been implicated in this incident only at the "prompting" of investigators. One of them, Yu. Golovko, admitted that he had been taken to the police station to identify Parfenov from photographs and had been threatened with a fine for not carrying his identification papers. He was forced to "identify" the man.

The third incident, according to the investigators, occurred in the night of 13-14 June 1991, when the Riga OMON attacked the Amazi customs station. The customs officials were subjected to various forms of harassment, in which Parfenov displayed particular zeal.

Once again, there was no corroboration of this report in the courtroom. It turned out that the witnesses and the victims were not certain that the people who attacked the station were from the OMON. Furthermore, they could not identify Parfenov.

The severe sentence is a clear indication of political interference. In a rule-of-law society, which is what Latvia claims to be, the principle of the presumption of innocence demands that all doubtful evidence be interpreted in favor of the accused. All of the evidence in the Parfenov trial was doubtful, but Themis was wearing a political blindfold that day.

This is corroborated indirectly by an interesting fact. SOVETSKAYA ROSSIYA has already reported the murders, thefts, and physical assaults committed by an unconstitutional paramilitary organization in Latvia. The OMON's alleged offenses are childish pranks in comparison, but judges have remained silent. The sole precedent was set just recently. A member of the organization, J. Ligers, was on trial for firing an assault rifle at a Belarus tractor "just for the hell of it" and wounding the driver, A. Tils. The court sentenced this "petty hooligan" to two years of corrective labor and the impoundment of 20 percent of his monthly wages.

Russian citizen Parfenov is apparently a bigger threat to present-day Latvia. This is the kind of justice Themis serves up when she is stricken by the political disease.

But what about the Russian leadership? Can it really afford to remain silent again?

An adviser to the vice president of Russia, member of the Russian Federation Supreme Soviet I. Andronov, attended the trial not long before the verdict was read. He described the proceedings as a "show trial" and assured journalists that "great Russia will find the political means of reaching an understanding with great

Latvia" in the Partenov case. We can only hope that this is true. Partenov should be acquitted, released, and returned to his homeland.

Free Trade Union Alliance Leader Interviewed

93U A0544C Moscow, FRUD in Russian 17 Dec 92 p 2

[Interview with Andris Silins, chairman of Latvian Alliance of Free Trade Unions, by Olga Boguslavskaya, date and place not given. "We Do Not Need an Interpreter"]

[Text] I asked Mr. Silins for an interview after I heard him speak on Latvian radio. On the Russian-language program "Day After Day," he expressed a discouraging opinion. Retired individuals and the disabled and unemployed are not the only ones in Latvia who need social assistance today. Working people also need it. The able-bodied population is not earning wages equivalent to 1990 minimum subsistence level, set at 4,400 rubles by the free trade unions. Housing costs, and especially heating costs, have soared at a disastrous rate. A family of four has to pay more than 8,000 rubles for an ordinary two-room apartment. They have to choose between decent housing and a proper diet.

[Boguslavskaya] Mr. Silins, what do the trade unions intend to do at this time of crisis? Are they capable of establishing a system to defend at least the working class, if not each working individual?

[Silins] Our present strategy entails general solutions to specific problems: job guarantees for the able-bodied, social protection for those who need it, genuine public participation in the privatization of state property, and the establishment of a strong labor faction in the saeima. We have repeatedly affirmed our solidarity with the government and parliament, but now we have to report with regret that this was a mistake. Economic levers are being used deliberately to solve political problems. This is not in the interest of the laboring public. At best, the government is only "patching up holes" in the economy and has not made a single move to achieve the main objective—the stimulation of production. Some people, for example, are saying that industry is unnecessary, but I feel that Latvia must not become a country of merchants and middlemen. Nor do I agree with the prospect so dear to the hearts of some politicians, the dream of neat and tidy Latvian peasants, all dressed in white and happily plowing their beautiful fields in exclusively national surroundings. Utopias are not what we need....

[Boguslavskaya] Are you saying that the trade unions are now part of the opposition to the government? Will this confrontation continue if you manage to set up your own faction in the new saeima, to which the trade unions plan to nominate their own candidates?

[Silins] The Latvian Free Trade Union Alliance unites 99.6 percent of all union members. The remaining four-tenths of a percent is made up of around 20 small alternative trade unions that are trying to solve their problems on their own. Around 50 VEF workers, for

example, demanded a separate collective contract with the administration, a raise which would triple their present wages, and ownership rights to their machine tools. You may know that we also launched a movement to make workers the owners of the machine tools. The alternative unions are suffering from internal friction, but we have a good relationship with them. There is unity within the labor movement.

As far as our relations with the government are concerned, I would say they follow a sinusoidal pattern—rising and falling. This could probably be called a period of rise. A trilateral commission has been set up, consisting of representatives of the Council of Ministers, a group of enterprise directors, and our trade unions. I must say that we have been able to exert pressure on the government and parliament. Good labor laws, conforming to European standards, were passed under our influence. Unfortunately, we have not been able to influence other types of legislation, and everything is interrelated in this area. We did not think events would transpire so quickly. We have lost time because the economic crisis became a reality before we had a chance to plan for it. Guaranteed employment is our main objective. I believe this will also be the object of the work of the union faction in the saeima.

[Boguslavskaya] Latvia now has around 40 parties. Which one do you expect to win the majority of votes in the elections to the saeima?

[Silins] The word "crisis" could also be used to describe the political situation. There are no mass parties in the republic yet. Neither the left (Interfront and the Communists) nor the radical nationalists have much influence. There is reason to expect the triumph of centrist ideas. We have a fairly strong Democratic Labor Party, chaired by Juris Bojars, Latvian parliament deputy and former people's deputy of the USSR. He is not in the running, however, because KGB personnel are forbidden by law to play a political role. It would be much better for the saeima not to have a politician this smart in the opposition, but we are prone to forget the facts because we are preoccupied with discarding everything connected with the past.

[Boguslavskaya] The facts, Mr. Silins, also tell us that nationalist ideas have become state policy in Latvia.

[Silins] The citizenship and language laws are not frightening in themselves. People who have lived in Latvia for 16 years and are loyal to the country are eligible for citizenship.

[Boguslavskaya] Who will confirm this loyalty? A neighbor? Or, excuse the expression, a paid informant?

[Silins] Many Western countries have loyalty oaths, and they also have language tests.

[Boguslavskaya] But only for those who deliberately move to a foreign country and express a wish to settle down there. In Latvia, the same procedure will have to be

followed not by applicants, but by permanent residents. What about, for example, the specialists who were sent here on assignments many years ago, the children of servicemen who have lived here all of their lives, and the children of mixed marriages who do not attend Latvian schools? And is the language law not tantamount to professional discrimination against those who do not pass the test?

[Silins] No, this is not discrimination. This is a matter of a person's suitability for certain jobs. In the past a person who was not fluent in Russian could not become an administrator, because knowledge of the Russian language was one of the criteria. Now Latvian is the required language.

[Boguslavskaya] I went to VEF and asked to speak to the shop chief. "Is it urgent?" I was asked. "She has to take the language test today and has been studying in her office since morning." This is stressful for many people.

[Silins] That is exactly what was supposed to happen. This person finally decided to learn the language. And you cannot say that some people are incapable of learning it, because this is not true. The whole problem is that people did not make any move to learn it until the test became unavoidable.

[Boguslavskaya] Unfortunately, this was difficult, Mr. Silins. I know many Russians in Riga who sincerely wanted to do this, but there were no textbooks or teachers, not to mention an efficient system of instruction, such as the network of intensive language courses. Now they have to pay at least 300-500 rubles for a couple of hours of lessons a week, and in view of today's wages and prices....

[Silins] The trade unions have put out an excellent textbook, compiled by experts. Incidentally, it is also quite inexpensive, but primary organizations have not done their work well, and many copies are still in the warehouse. Many enterprises are paying for language lessons for their workers. Things are more difficult for those who are employed by budget-carried organizations.

[Boguslavskaya] There is another problem.... You have probably also heard that private scores are being settled in the guise of compliance with citizenship and language laws, and that officials have refused to issue birth certificates to some people. I know of specific cases. I am not talking about rumors. Is there any mechanism to prevent discrimination of this kind? The laws do not provide for an individual approach, but they have to be applied to specific individuals, with their own specific past, present, and future.

[Silins] This kind of mechanism does not exist yet. When the survival of a nation is at stake, personal considerations are secondary. The possibility of isolated incidents of discrimination cannot be excluded, of course, but these would be violations of human rights, and these rights are protected by the courts. I asked the legal aid

service, incidentally, whether anyone had applied for legal assistance in this kind of case. There has not been a single complaint.

[Boguslavskaya] And something tells me, Mr. Silins, that there will not be any.... Tell me, as a man of moderate views, does the future frighten you? The most serious conflicts have often grown out of the small seed of a law on the status of the state language....

[Silins] Language is not the main issue. This situation arose earlier in Latvia than anywhere else, and it still has not had any severe effects. The danger lies in the many stupid mistakes that were made in our economy. These would have to include the official financial policy, the attempt to reject the Eastern market in favor of the Western one, which has absolutely no need for us, and the consequent demolition of industry. Nationality is not a problem for the laboring public or the trade unions. Just ask any worker. It becomes an issue wherever political ambitions conflict. I am not referring to the strictly mundane type of altercation, in which a Latvian steps on a Russian's foot on the streetcar and they exchange ethnic slurs. This is not a matter of official policy. And in the plants.... The people who drank vodka together after work are still drinking together, and not only after work. I doubt whether you, for example, have encountered any resentment or hostility.

[Boguslavskaya] No, I have not. You are absolutely right. Of course, I have noticed that the Latvians seem to have forgotten how to speak Russian in the last two years.... But no one sent me in the wrong direction when I was looking for the street, once called Krasnoarmeyskaya, where your alliance is located. And the rudeness, for example, of the clerk in the hat store did not have any "anti-Russian" basis. She was probably just feeling tired and irritable. But I would like to be just as frank as you have been in this conversation. I cannot shake the feeling that the Latvians think they will be richer after the "migrants" have gone. This will make jobs, apartments, land, and resources available.... This is quite similar to the idea of the proletarian revolutions.... When people have such a hard life, it is easier to maintain social optimism with the idea of redistribution than to explain the fundamentals of economic prosperity. People have to know that both the Latvians and the Russians have a long way to go before they reach prosperity....

[Silins] Nevertheless, most people are willing to be patient if they know that they are on the right road to a better life. It is true that the supply of this patience is dwindling today, but this has happened precisely because the future is not clear, and the methods of achieving these goals have not been specified. Social confidence is one of the policy objectives of the trade unions and the purpose of our work. The guarantees we are seeking for the worker should make him feel secure about the present and the future. We have great hopes for the elections to the new saeima. The present parliament was elected at a time when the main issue was the choice between Latvia's independence or its continued

existence as part of the USSR. Ballots were cast for individuals, and not for programs. Now we need leaders who are capable of assessing the facts objectively. I am certain that the people who will elect them are also capable of judging these facts.

Non-Latvian Emigration Increases

93UN0544B Moscow ROSSIYSKAYA GAZETA
in Russian 15 Dec 92 p 7

[Report by Vyacheslav Tikhomirov, president of "Roots": "I Am Never Coming Back"]

[Text] Why are people moving from Latvia to Russia? Three hundred families expressing this wish were the subject of a sociological study. The results are related by Vyacheslav Tikhomirov, president of "Roots," the Latvian Association for Russian Rebirth (LAVR).

Here is what we learned. Heads of families between the ages of 30 and 50 constituted the largest age group—58 percent. There were also many over 50 among those who have asked for help in moving to Russia—28 percent.

The apprehensions of some newspapers, which had asserted that an urbanite would have nothing to do in the Russian countryside, were not corroborated by the study: 92 percent of the respondents had agreed to move to the countryside, and 67 percent were certain that rural communities were promising locations. Most of the people who applied to LAVR for help were urbanites with a secondary, secondary technical, or higher education.

Engineering and technical personnel made up the largest professional group. There were many people who worked in public education, public health, and the legal system, including jurists with degrees. This group has been supplemented recently by medical personnel and teachers in Russian schools who have not passed or do not expect to pass the Latvian language test. Approximately one-fourth of the respondents were workers at enterprises, drivers, and construction workers, most of whom are highly skilled professionals.

The last (and unexpectedly large) group of respondents consisted of workers from the Latvian agrarian sector—13 percent. What would motivate people from the Latvian countryside to leave the land at such a difficult time and tempt the fates in underdeveloped Russian communities? There were several reasons, ranging from the impossibility of receiving a share of property and land during the reorganization of kolkhozes to the threat of the loss of housing claimed by former owners. All of the respondents in this group are certain that they have a better chance of getting some land of their own in Russia than in Latvia. Incidentally, almost all of the Latvians who applied to LAVR for assistance—11 individuals—were in the "rural" group of respondents.

The ethnic composition of the people wishing to move to Russia is the following: 72 percent Russian, 12 percent Belarusian, 9 percent Ukrainian, and 5 percent Latvian.

Why do they want to move to Russia? Most of the respondents cited political factors as their main reasons. They were dissatisfied with:

- the inefficient reorganization of the republic economy—92 percent,
- the assignment of priority to nationality over professional qualifications in hiring practices—82 percent.

Most of them do not believe that the Latvian people agree with the anti-Russian sentiments and blame them on unpopular political forces. The majority of future citizens of Russia feel that the main causes of their present situation are the economic and social effects of the collapse of the USSR, compounded by the "ethnic cleansing" in Latvia.

The people who are most eager to leave Latvia are not retired servicemen, KGB officers, and party bureaucrats, but the most industrious, able-bodied, and qualified segment of the Russian population.

LITHUANIA

Deputy Premier Lubys Backs Economic Ties With East

93UN0439A Vilnius GIMTASIS KRASTAS
in Lithuanian 19-25 Nov 92 pp 1, 4

[Interview with Deputy Premier Bronislovas Lubys, by Leonardas Aleksiejunas, date and place not given: "We Can Also Go West Via the East"]

[Text] This is one of the roads for which Lithuania is searching in order to get out of the oozy economic swamp, as seen by deputy premier Bronislovas Lubys. Leonardas Aleksiejunas, a journalist of GIMTASIS KRASTAS, is talking with him.

[Aleksiejunas] Dear deputy premier, you were determined to accomplish more for the nation's sake by assuming these duties. Were you not disappointed? What did you manage to accomplish concretely?

[Lubys] I was by no means disappointed. And I have not become pessimistic. The work is normal. As far as I understand, we need a bureaucracy, only a better one than we have today. And we have succeeded in accomplishing matters of principle. We have started liberalizing things—removing various restrictions from industrialists and businessmen, changing the way of thinking that the Government must solve everything. Today all of Lithuania is concerned about energy resources. If we had abolished customs duties for their import to Lithuania back in July, the situation concerning these resources would have been much simpler, and if we had done at the beginning of the year—then we might have no

troubles whatsoever. Of course, we would not have been able to escape the prices. We always want to live cheaply—show me someone who does not. Until now, we practically paid almost nothing for electric power: in comparison with international prices, we received it for nothing. We must calculate how much that costs and to understand that we depend on ourselves. I think that my presence in this post for the past three months also had a certain impact in moving from a rather artificial understanding of economic matters to a more realistic perception.

Our working meetings with the leaders of the Russian government are of a special importance. We have begun to think that agreements must be concluded not only with Austria, Argentina or Chile. We live next to Belarus, Latvia, Poland. After restoring Lithuania's independence, foreign policy, which was needed for the recognition of the state, enjoyed a priority. But now what we need most is a foreign policy focused on Lithuania's economy.

[Aleksiejunas] How would you grade it?

[Lubys] Grading it would be a very complicated matter. In general, the Lithuanian economy is in a very difficult situation, although it is not uniform. There are industrial enterprises, both joint-stock and not, that are performing very well. One example is the furniture factory in Silute. Production and exports were not only not reduced, but even increased. Workers have not been laid off; wages are not quite what the people need, but enough to make ends meet. The transition to the market economy is a big, messy and difficult job, which each of us must shoulder individually. Every day several directors arrive in my office. Some are whining—we are drowning, help us. The government will always try to help, if some are truly helpless without it. But we cannot think for everybody. Unfortunately, many enterprises are hardly moving or are grinding to a halt—both for subjective and objective reasons.

[Aleksiejunas] Why do we find ourselves in this situation?

[Lubys] For many reasons. First of all, energy resources have become more expensive. Secondly, the finance circulation system has collapsed. It is not that somebody has spoiled it—it simply collapsed. State banks are already unable to build roads for the movement of finance money, and the commercial banks are still incapable. We keep orienting ourselves—or want to orient ourselves—toward the commercial banks, but the settling of accounts through them keeps getting stuck—in Tashkent, in Alma Ata, in Tbilisi, and elsewhere. The integrated industry is experiencing enormous difficulties.

Crude errors were committed during the reform of agriculture. The kolkhozes should not have been wrecked in the manner they were. The priority should have been given to the farmers—they should have been given credits, a legal right to acquire land, and thus

enabled to compete with kolkhozes. As the farmers would have gotten stronger, bad kolkhozes would have immediately fallen into decay, and the good ones, if they managed to prevail over the competitors, would have gotten stronger. All kinds of agricultural associations exist in the world and it seems that nobody is trying to direct them by administrative order how to go about their business.

[Aleksiejunas] But the reform has been started. How should it be continued? And is it possible to correct its mistakes?

[Lubys] I think that there is no way to go back. Whatever is done, is done. The Parliament will have to use laws and the Government will have to make decisions to straighten and to deepen the furrow of the reform. I am saying in complete candor, the reform is being carried out badly from top to bottom. The bottom is doing what it wants to and not what is written in the documents. There are also many intricate, mutually contradictory laws and governmental decrees that should be amended.

In cities and other specially designated areas land is not returned to the owners. I am categorically set against these delimitations. This means that in one part of Lithuania the right of the preservation of property for its owners, which is proclaimed in the Constitution, is valid, but in another place—it is not. Here is a city, here is a pig farm, and here you will not get your land back, although it belongs to you. And, behold, that land is being distributed on the sly—the members of parliament or others. Is this pseudosocialism, a new corruption? Also, in my opinion, if a city dweller needs land, he should be able to buy it under the same conditions as a rural inhabitant.

Thus, I see the following continuation of the reform: priorities for the farmers and landowners, but without in any way rejecting associations and companies. I have heard people talk that when the "former ruling class" will return to power after the parliamentary elections, they will start restoring kolkhozes. I cannot vouch for the LDDP (Lithuanian Democratic Labor Party), because this is its leadership's business, but I am firmly convinced that the people in power will prove to be not lesser reformers. It would be nice if they would prove to be more reasonable and bolder.

[Aleksiejunas] Whose electoral program is most likely to help Lithuania get out of the ditch?

[Lubys] All programs are very similar. I voted for the liberal slate. I consider their program the best, although I am not a member of the Liberal Association. The Social Democrat and some of the other party programs are very close to that of the victorious LDDP. Almost all of them promise to reduce taxes and to allot funds for social needs. And where will the money come from? There can be only one answer—from foreign credits. Obviously, we must take care of the social guarantees, but economic policy must be realistic. Each party always presents an embellished program. Once we clash with reality, one and a half or a couple years later the people will say

gentlemen, you talked about certain things, but now we have something else. Just as the nation has now clearly stated about the Sajudis: the situation in Lithuania is not what we had expected, and so we are choosing other parties. The people have turned to one of them.

I doubt if a single party's control of the parliament will be a good thing. These elections are not for eternity. According to the Constitution, the parliament can be easily dismissed.

[Aleksiejunas] Negotiations with Russia. Should our position be "hard" or more flexible?

[Lubys] If this is how you describe these positions, I would opt for flexibility. Of course, there can be no talk about negotiations on our independence, statehood, and other matters of principle. Our position here is firm, clear and allows no compromise.

As we negotiate with Russia, we should seek adequacy. Russia has raised its prices for energy to the international level, which means that it also must pay the same prices for transit or flight across Lithuania's territory. I would not consider this as "hardness" toward Russia. That is the purpose of negotiations. They are difficult, but imperative. We must keep meeting and discussing things at all levels—premiers, deputy premiers, chiefs of ministries, departments, companies, representatives of firms.

Today we can still buy everything for rubles in the East—oil, gas, metal, timber, cotton (although quite a few rubles are required). The dollars are accepted there even more readily—if only one had them. Yet our exports during the first 9 months of this year amount to 9 percent of the total turnover of goods. Industrial production has declined about 40 percent as compared with the previous year. It is not difficult to imagine how little currency we have received for the exported goods. Even earning some rubles will not be as simple as it used to be.

Our economic structure has been integrated into the economy of the former USSR. Lithuania's ties with the East are more concrete and real than with the West. I have always maintained and still do that we must make great efforts to enter the Western market, but we cannot jump into it in a single leap. This is a long and difficult process, demanding a new quality from our entire economy. By maintaining links with the East and obtaining raw materials from there, we will be able to process them and this way we will get closer to the West. We will be even more interesting and important for both the West and the East if we will be able to mediate on a certain scale between them and in their economic interest.

[Aleksiejunas] Some people may not like that you seem to look the same way at the East and the West, as if there were no difference with whom we are cooperating.

[Lubys] I look at this from the economic perspective, motivated by what is useful for Lithuania. Ambitions and sympathies—he is good, he is bad, this one is handsome, this one ugly—must be put aside.

Butkevicius Assesses Defense Needs

93UN0540A Vilnius *EKHO LITVY* in Russian
25 Nov 92 p 3

[Interview with A. Butkevicius by V. Kuznetsov; place and date not given: "Andrius Butkevicius: 'Sooner or Later We Will Be Part of European Security Structures'"]

[Text]

[Kuznetsov] Mister Minister, what are the goals and tasks of your agency and what problems are confronting it today?

[Butkevicius] The principal goal of our ministry is practical implementation of the government national security policy which is one of the most important links in the policy of the state as a whole. As commonly known, there are three main areas in which the state realizes its policy: economy, culture, and national security. The overall vector in these areas is the policy of the government as a whole which we are implementing with our colleagues in the Ministry of Foreign Affairs. We bear the responsibility for a highly important and concrete segment of that policy. The main process currently occurring in the world is marked by a rise in stability and security. All of the world forums taking place in Europe and the world are discussing these issues. Naturally our government must have its own view concerning all of that, represent its interests, and establish bilateral ties with neighboring countries with which it has common security interests.

Each ministry has its own operational framework. Our fundamental documents are now in a stage of development. The first one is the concept of national security, which has been discussed in the government, and must now be adopted by parliament. In it the people of Lithuania formulate their understanding of external threats, ways of neutralizing them, and basic principles underlying the functioning of structures for defense, maintenance of domestic order, and the activity of intelligence services are cited. As you understand all of these structures in one way or another limit the opportunities, and in some sense, even the rights of the citizens of the country. In certain countries these structures receive more possibilities and rights, and in others—less. The amount of personal freedom we are willing to give up to these services and the number of rights we are going to grant them must all be covered in that document, proceeding from an understanding of the real situation.

The second document which stems from it is the concept of the defense of the state which speaks about the defense structures that are created by the government. The third

document specifies the defensive activity of the state. The first two documents are open, whereas the third and the most fundamental one is secret. The activity of the ministry itself is governed by a regulation that is adopted by the government while the concrete defense structures have laws in accordance with which they act. The border forces, for instance, were the first to be created and today consist of 5,000 persons. Their service is governed by two laws—"On the border" and "On the border service," while that of the territorial defense structures—by the law "On volunteer service." The call to military service is covered by the law "On compulsory military service," and internal regulations are determined by the law "On service in defense of the region." These are followed by documents stemming from them and covering the concrete duties of subunits and military personnel in various situations. That is the legislative framework within which we work.

As you understand we attempted to leave as little room as possible for independent action. After all the system of security is not only a very expensive thing, but also a double-edged weapon. Therefore the creation of a control structure, which is usually called political and democratic in the world, is an important task of the Ministry for the Defense of the Region. You have probably witnessed the rather intense "war" which I waged against making the defense system a political issue. Now I can say that the position which we occupied, that is the creation of a security system only against an external threat, proved to be correct. Especially at present, in view of the election results, changes in domestic life are possible in which military forces must not intervene.

[Kuznetsov] Your agency is not lacking for attention. Recently both the politicians and the mass media frequently raised the question about material support of the system for defense of the region. What is your opinion with regard to this matter?

[Butkevicius] The supply of our army stems from an understanding of the threats facing the state. Let us look at the geopolitical position of Lithuania. It is the geographical center of Europe. This means that the shortest routes from the East to the West and back passed through it. We are a transit country not only for Russia and Kaliningrad Oblast, but for the Scandinavian countries of Western Europe as well as a "window for Russia" (as Peter I stated) into the western world. Such a geopolitical position transformed our country into a territory of endless confrontation and conflicts. After all, at one time, the Tatar-Mongols, crossing Russia, stopped specifically here. While the Crusaders (and all of Europe with them) moved from the other end to the East, toward Russia, and they also stopped here. Nemunas was the frontier. At one time I read the memoirs of Napoleon's officers who described their stop at Nemunas. For them it was not the boundary of another state, but a boundary of culture and thought beyond which the Europe of those days ended. It is true, the internal boundary of Europe which still exists today passes directly along the Nemunas. Two forces exist along it: the western and eastern

ones, and when one of them is the dominant one, our territory becomes highly militarized. It is possible to live in such a geopolitical position only under one of two conditions: either as a member of European security structures which will become guarantors of our security, or as a creator of such defensive structures which would guarantee us maintenance of domestic order while depriving opponents of the hope of establishing political control over us.

To this it is necessary to add that Lithuania has not been subjected to direct aggression for a hundred years but was victim to veiled forms of aggression: in 1919 Russia declared that we have a socialist revolution and dispatched red regiments, Poland—that a putsch by Zheligovskiy is taking place and advanced on Vilnius, while the Germans decided that an uprising has taken place in Klaipeda Kray. While in 1940 it was declared that a socialist revolution has again occurred in our country and we became part of the USSR. In other words, all threats from the outside were possible only when the internal situation became destabilized, and one or the other of our neighbors felt that the domestic situation permitted the exertion of pressure. This is true for us today as well if society is split into a nation and national minorities of "enemies" and "patriots." Therefore, proceeding from state security requirements, I and our agency have always expressed ourselves in favor of utilizing all possibilities for the unification of all the people living in Lithuania and liberalizing laws for national minorities. All this stems from an understanding of the fact that this is needed for our common security. If we understand our geopolitical and domestic situation, we can then respond to the question of how much armament Lithuania needs. After all it would never be able to defend itself and we must create our own armed structures with the understanding that sooner or later we will become part of European security structures. What they will be like, what will the security architecture of Europe look like? It is unlikely that anyone could answer that question today. But something can already be said. The first principle which must be observed is the one decreasing the isolation of European states. Lithuania may become either a means for increasing the isolation of Russia, or the reverse. Here we see a special mission for the Baltic states, that of being "a window," but it will be closed and opened only by ourselves.

Returning to the question on the armament of the system for the defense of the region, I would like to note that all of its structures are geared to perform peacetime functions. It is the protection of borders, important state facilities, such as the Ignalina Atomic Electric Power Station, the oil refinery, bridges, and railways. It is also the volunteer protection of the region—the principal source for swift mobilization (ecological catastrophe and accidents), as well as civil defense. We did not create any military structures which could "hold the front," but we did create a structure that can operate in handling crises.

after the principle of UN peacekeeping forces. We have sufficient armament necessary to perform the above-named functions.

[Kuznetsov] The call to military service is currently taking place. How is it progressing and what problems are being encountered by your agency?

[Butkevicius] The call-up is proceeding well. There is just one problem—too many of our young men are "rejected" by our medical commission because of their poor health. I wanted to note that both in the call-up process and during service we have no nationality problems. Lithuanian, Russian, Polish, and Belarusian men serve together. If necessary, it is possible to speak Russian—after all we have many officers who served in the former Soviet Army. After completing their service the young men are demobilized as much healthier individuals. You know that I myself am a physician and it is gratifying to note that after just six months of service we have a physically fit individual, which, by the way, was noted by NATO representatives who visited us.

Our armed forces are one of the components of the state which serves to ensure its stability and the security of its residents. I hope that they will never start serving only one force in the government, but will secure peace and tranquility for all people of Lithuania.

Institute Director Views Nation's Future Economic Steps

93UN05394 Vilnius EKHO LITVY in Russian
28 Nov 92 p 2

[Article by E. Vilkas, Director of the Economics Institute of Lithuania: "It Is Necessary to Pay for the Mistakes"]

[Text] The election campaign is over, the Seimas started its work and a chairman was elected. The lesson of the elections is quite clear and their results were analyzed in the press in a sufficiently broad and thorough manner. At present a new stage is starting—the victorious party will have to form a government and think about fulfilling the campaign promises.

When I think about what could be done I get quite a few doubts. Not because it will be very difficult to restore the standard of living to its 1989 level. It will be very complicated to achieve even minor improvements inasmuch as according to economic logic our life must grow worse for about one more year. What will the new government be able to accomplish?

Naturally, the best would be to reach "bottom" as fast as possible thereby halting the further decline of our economy. Until prices for energy sources reach world prices one should not expect any improvement in the economy. It appears, however, that beginning in the New Year we will be paying for petroleum specifically at world prices, consequently it is possible to predict that problems will peak in the spring of next year. It is commonly known that a drop in production occurs

tumultuously, while restoration is a gradual process. According to World Bank predictions we will be able to reach the 1989 level at the very best by the end of the century. Therefore it is not realistic to dream about rapid changes, or that market relations and the West will help. Of course, they will help, but today we have only half the production of 1989 and consequently, half of the consumption as well. Economic growth might amount to an average of five to seven percent and these are rather good rates, so the figures speak for themselves.

It is understandable that in this situation the position of the new government will be particularly difficult even if it will be possible to consolidate all forces and actually begin work and not the political skirmishing, which apparently will be unavoidable—as evidenced by the very first day at the Seimas session. Those who lost, apparently do not realize the situation and do not think about how to help Lithuania, instead continuing their policy of petty carping which will serve to hinder constructive work by the Seimas.

Of course, it is possible to hope that the situation in power engineering will now be improved having in mind the assumptions of certain politicians concerning Russian pressure before elections. Even though I am not a strong believer that democratic forces in Russia are pleased with the victory of the DPTL [Democratic Party of Labor of Lithuania], since over there they do not really understand what it actually represents at the present time, but they know full well, however, that these are "former Communists." Therefore I am not inclined to believe that Russia exerted any conscious influence on the course and outcome of the elections. The degree to which the personal connections of A. Brazauskas and his people with President Yeltsin and other influential individuals will help Lithuania remains to be seen.

The matter, however, is also that we have nothing to pay for energy sources with and these funds will not just appear all of a sudden. Let us say we receive credits from the West, but in any case it will be necessary to freeze and live without hot water for some time until the situation begins to improve, I believe, sometime in 1994. I assume that by that time there will be some funds to pay for energy sources and other raw materials.

Much attention is being devoted at present to economic programs of parties and movements. In my view no special economic programs are needed. There is a memorandum of economic policy in accordance with which we will have to act and live. Its value consists of the fact that we are practically compelled not to reinvent the bicycle but fulfill the signed agreements. In that sense I see no problem with the existence of an economic program, inasmuch as the memorandum on the economic life of Lithuania is a state document adopted by the Council of Executive Directors of the IMF [International Monetary Fund] and according to it Lithuania is obligated to fulfill certain conditions, while the other side—to provide credits. We are not the first country to

seek the commendations and help of the IMF, wishing to halt inflationary processes and stabilize the economy and the financial system.

On the other hand, a memorandum is a memorandum but in practice economic policy is implemented in life each day and this daily work, which is not easy and perhaps not very noticeable, is extremely important and determines a lot. This day-to-day work of the former government, I would say, was not very serious. It seems that in that regard the activity of the government of the victorious party will be more solid. There will be no offensive figures in the government, in the leadership apparatus and, no doubt, all economic activity will be taken out of politics. At any rate, I am hoping specifically for that. The former governments, however, politicized and ideologized their economic policy to a great measure along with the steps they took.

I am hoping that further liberalization of economic ties with foreign partners will continue. Without free trade, unhindered by duties, licenses, and so on, Lithuania will be condemned to become another Albania.

In other words, the events of recent times are not too pleasant, with the exception of the fact that an elementary truth was proven once more. Which is that those who have never engaged in politics, and find themselves in it for the first time, must understand clearly that it is necessary to pay for all errors and blunders, including withdrawal from active work, resignation from high posts, and finally by simply being forgotten—no matter how important, infallible, and steadfast they may have appeared to themselves while in power.

Sajudis To Reorganize

93UN0538B Moscow PRAVDA in Russian 17 Dec 92
p 1

[Item by Vladas Bikulycius : "'Sajudis' Reorganizes Its Ranks"]

[Text] The council of Lithuanian "Sajudis" declared its self-dissolution. A committee was created for the transformation of this social movement which originated in 1988 into a party. The question concerning the social base of the new party and its economic program was discussed for the first time at the meeting of the committee which took place behind closed doors. It was specifically the "Sajudis" henchmen in parliament and the government who brought catastrophe to the economy of Lithuania, which was understood by the voters who gave their votes to the Democratic Party of Labor of Lithuania in the recent Seimas elections.

Brazauskas Sets Tone for Dealing With Opposition

93UN0538C Moscow PRAVDA in Russian 17 Dec 92
p 5

[Article by V. Bikulycius, PRAVDA correspondent: "There Will be a President in Lithuania But Opposition Members Are Not Becoming Social Outcasts"]

[Text] By decision of the Lithuanian Seimas presidential elections have been set to take place on 14 February of next year. The very first days of work of the highest legislative body in the republic, however, indicated that "Sajudis," finding itself as the opposition, right off began heating up passions, demanding from the new leadership what it was unable to realize itself—improvement in the social and economic situation.

"Supply hot water for the apartments, lower prices on products," are the demands of the new opposition members, even though the government which resigned, left a "mine" for its successors by repealing state subsidies for the purchase of meat and milk in the countryside. Nevertheless attention is merited by measures taken by the Democratic Party of Labor of Lithuania and its leader A. Brazauskas in the establishment of honest relations as partners with the opposition and its leader V. Landsbergis.

The opposition leader is given broad financial and organizational opportunities for the creation of a shadow cabinet, for extraordinary speeches at the Seimas, trips, and meetings. Air time on television and radio for broadcasts on political topics will be distributed among the parties and majority and minority factions in accordance with the proportional principle of representation in the Seimas. The government will do away with the former practice of providing generous support to "its own" government newspapers. A law on opposition is slated for discussion at the Seimas.

A hand extended to the opposition is an uncommon phenomenon in Lithuania where the DPTL [Democratic Party of Labor of Lithuania], which was the opposition until recently, was proclaimed an antinational party headed by "ex-Communists" and was subjected to attacks and insults.

REGIONAL AFFAIRS

Russia Sees Baltic Policies as Discriminatory

93UN0547A Moscow ROSSIYSKIYE VESTI in Russian
16 Dec 92 p 2

[Article by Sergey Stupar: "The Worse Things Are for Russians in the Baltic Countries, the Better Things Are for the Anti-Yeltsin Opposition in Moscow"]

[Text] The discriminatory policy of the Latvian and Estonian governments toward ethnic Russians poses the danger of unpredictable consequences.

The problems of the position of the Russian-speaking population in Latvia and Estonia are making themselves known more and more clearly in the Moscow corridors of power; they are also attracting the attention of European and world public opinion. The euphoria from the freedom and independence gained in August of last year by the Baltic countries is gradually passing away and being replaced among Moscow's democratic public

struggled together to achieve so recently—in January 1991—has, in fact, turned into elementary violations of human rights and discrimination against hundreds of thousands of people. Moreover, many of these people together with the Latvians and Estonians defended this freedom and voted for the people's fronts in the elections to the republics' parliaments. But today the parliaments of Estonia and Latvia, concerned over the small sizes of their indigenous nations, are passing laws which put 1.5 million ethnic Russians living in these states in a position of living under apartheid—people without citizenship, without political rights, property rights, or the right to acquire an education in their native language.

The key factor in the discussion with the Baltic states is, certainly, the issue of the removal of all the former Soviet troops—now Russian troops—from their territories. Moreover, the need to withdraw the troops from the territory of the Baltic states is no longer a matter of doubt and has, in fact, been recognized by both sides. The president of Russia has already taken a decision on that score. The entire problem is now concentrated on the time frame for the removal of these troops, as well as on the question of what to do with hundreds of thousands of retirees and members of their families living in the Baltic countries and even born there.

The stance taken by the Latvian leadership was expressed succinctly in the words of the prime minister, I. Godmanis: "Everyone connected in any way with the former Soviet Army must leave Latvia's territory unambiguously..."—words which he spoke at the session of the Latvian Republic's Supreme Soviet on 21 October 1992. This was also mentioned previously by A. Gorbunov, chairman of the Latvian Republic's Supreme Soviet at a session of the UN General Assembly. The words spoken by the leaders of that state are similar to their deeds in this case. And in Latvia a mechanism has already been set up with the help of which they have already begun to carry out the concept of a "gentle repatriation" of hundreds of thousands of people, basically ethnic Russians, of whom—let me remind you—there are 900,000 living in Latvia today; this amounts to slightly less than half the entire population of this republic.

The situation is no better in Estonia, where recently almost 40 percent of this republic's inhabitants could not take part in the parliamentary elections. This amounts to 500,000 people, mostly ethnic Russians, who have been deprived of their right to vote in accordance with the Estonian Republic's law on citizenship.

Just what can be done for persons who have been placed under such conditions, whereby—not having citizenship in the republic—they will not be able to own property, participate in elections, occupy government posts, found political parties, or freely choose their place of residence in any part of the republic? Hundreds of thousands of people have been, in fact, deprived of their civil and political rights and may become refugees in the very near future.

pressure—may expect to be confronted with moral and psychological terror, which has already been unleashed now by right-wing, nationalistic organizations, as well as in the pages of several newspapers.

How, for example, can we qualify the "Letter to the Editor," published in February 1992 in Issue No. 3 of the NFL [Latvian People's Front] newspaper BALTIYSKOYE VREMYA, where a certain Ilin, Erin Yan literally wrote the following: "In order that Latvians may survive as a nation, there is no other road but independence, immediate demilitarization, and decolonization. There is only one other variant: Latvia without Latvians. In my opinion, demilitarization and decolonization could be carried out in the course of 3-4 days. First, we would need to declare a general mobilization; then at one gate of a military facility we would station some Latvian lads armed with weapons and other equipment, and out the other gate would go the disarmed occupation forces headed straight to the nearest railroad station, where previously prepared troop trains would already be standing. These men would be accompanied by their family members, retired officers also with their families, and any other emigrants or migrants. A Russian should live in Russia."

The newspaper NEATKARIGA CINA went even further. It published an article by some physician from the United States named Ayvar Slutsis in its issue No. 172, dated 17 October 1992, under the heading: "Why Latvians Are Not Returning to Latvia from the Western Countries." In addressing his fellow-countrymen, he writes the following lines: Perhaps you have become accustomed to the Russians (psychologists say that even persons being tortured can become accustomed to their tormentors), but we, after 45 years of the "cold war," cannot tolerate them. On the one hand, you probably know more about their maliciousness, uncivilized nature, and crudeness, inasmuch as the genocide performed by the Russians against the Latvians took place everywhere. But, on the other hand, not all the information about the Russian "deeds" was accessible to you." And he goes on to say: "I could not work in present-day Latvia because I took the Hippocratic Oath stating that, as a physician, I would help all persons to an equal extent. But I would not be able to carry this out in today's Latvia, and in no way would I want to treat Latvians and Russians equally because I consider that every Russian in Latvia is—so to speak—a nail in the coffin of a national Latvia."

Nor can we fail to pay attention to such another dangerous factor as playing the "Russian card" in the Baltic countries by the anti-Yeltsin, chauvinistic, and pro-communist forces in Russia. The Baltic states must be well aware that at one time these forces utilized a small but extremely aggressive part of the Russians—the so-called Interfront group—to destabilize the situation in these republics. At that time most of the ethnic Russians did not support them. But where is the guarantee that today—placed in a no-exit position—these people will not support any anti-government demonstration? Is it

really possible that the rulers of Latvia and Estonia fail to understand that, by conducting a discriminatory policy toward the Russians, they are turning presently loyal citizens into their own furious opponents in the future and are thereby "playing with fire on a powder-keg," since they are giving "extra points," propaganda material, and new followers to the nationalist and communist opposition in Moscow? Or do they think that if these oppositionists seize power in Russia that the Baltic countries would live in tranquility? They would be naive to think that. At all their forums the people of this opposition tirelessly and constantly talk about one thing alone: How to restore the USSR within its former borders. Moreover, another extremely dangerous thing is that nowadays they are attempting to place their hopes on officers' meetings, especially in those units which are to be redeployed into Russia from the other republics—first and foremost—from the Baltic republics.

It is clear that nowadays the worse things are for Russians in the Baltic countries, the better they are for the opposition in Moscow. The more the rights of the ethnic Russians are infringed upon there, and the greater hurry there is in removing Russian troops, the more difficult will it be to solve the problems of building a democratic state here in Russia. And in having Russia be a stable, democratic state is—in my opinion—a matter of equal interest in the Baltic countries as it is here in Moscow. Indeed, strictly speaking, it was, to a great degree, specifically thanks to the stance and actions taken by the democratic forces and the president of Russia that the Baltic republics were able to acquire their freedom. Therefore, nowadays between the leadership of our countries there should be a normal process of negotiation without ultimatums and pressure from any side whatsoever.

What can be done in the situation which has evolved? It is possible that the Government of Russia could proceed to work out as quickly as possible a multipurpose, long-term program of aid to the ethnic Russians in the nearby foreign countries, which—first and foremost—would solve the following problems:

- granting all the inhabitants of these republics who so desire it Russian citizenship with all the socioeconomic benefits entailed thereby (pensions, veterans' privileges, assistance, etc.) and, correspondingly, a

decision on the status of their staying in these republics on an intergovernmental level (granting residence visas to those persons desiring to remain there);

- concluding intergovernmental agreements on housing compensation for military-service personnel in connection with the removal of Russian troops from the Baltic area;

- granting the right to privatize apartments built using funds from the Ministry of Defense—apartments lived in by retired officers and members of their families;

- rendering aid to families desiring to leave the Baltic region (payment of moving expenses, granting privileged credits for construction, and allocating land for building).

Sooner or later we must solve these problems, and the sooner we begin to do this, the fewer tears and suffering there will be later on. The governments of Latvia and Estonia will also have to solve these problems. In the present-day world one can hardly join the circle of civilized states when one violates the fundamental human rights in one's own country. And although the international community—because of inertia and having become accustomed to the subject of the Baltic nations being enslaved for so many years—are still reacting too slowly to the violations of human rights specifically in these countries, there is already some movement in this direction.

The address by Russia's President Boris Yeltsin and the stopping of the withdrawal of Russian troops from the Baltic republics stirred them into action, and the UN Committee on Human Rights undertook to examine and consider the matter of the violation of human rights in Latvia and Estonia.

A reply has also been received to the appeal by Sergey Stankevich—adviser to the president of Russia on political affairs—to the Parliamentary Assembly of the Council of Europe. Its chairman, Miguel Martinez, in his letter communicated the concern of this authoritative European organ regarding the situation on human rights in Estonia and Latvia. He also declared his own personal interest in finding a solution as rapidly as possible to the following two problems: the full observance of human rights in these countries, including the full respect for the rights of national minorities.

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